\*\*\*R

Hong Kong and Singapore

WEATHER DATA APPEAR ON PAGE 22 No. 31,633

PARIS, MONDAY, NOVEMBER 29, 1982

#### ESTABLISHED 1887

# Nakasone Stresses Need for Japanese Military Buildup

New York Times Service TOKYO - The new Japanese

prime minister says the country has to strengthen its military posi-tion to uphold mity and coopera-Gen with the United States and the free nations of Europe." Speaking Saturday at his first revs conference as prime minister,

Yasihiro Nakasone said Japan's inditary programs "have not been adequate" and stressed the need to defend our country on our own." Previous prime ministers have Commander of N not been so critical in public of

Impanese military programs as Mr.

Nakasone was Saturday.

o the prince loss to

Philler Von Marchade Switchelder Von Marchade Switchelder Von Marchade International International

succeeded by

al from Chung

us. Pans deputit

Although bom mit

ared her carer av.

received the Parkey

ti Davis, Presida,

240 v 29-)cu-de

hier, anned B

Searchy plane hook

She .. in British la

but details of king.

REAL ESTE FOR SW

I STEEL STEEL

CAPE COD ISA SEE

200 年2日 20 第**5** 21 第 **5** 12 上

10 M

( ) OF

TEXAS CHIEF

Service of the servic

PAGES 15

FOR ME

CLASSIE

announce<u>.</u>

al vears ago.

A decision by the Japanese cabi-net in 1976 has limited military autlays to less than I percent of the gross national product. Asked about this Saturday, the prime minister, a former head of the Defense Agency, stopped short of promising to observe this limit.

dine Tripère de le color de la color de gold color de gold color. Mr. Nakasone said be would "like to respect the cabinet decibut noted that doing so would depend on the growth of the Japanese economy.

Military spending is a conten-tions issue in U.S.-Japanese relations. Japan, which has the second largest economy in the noncommunist world, is regarded by U.S. government officials and some members of Congress as not con-

security of the Western alliance. Compared less than I percent for Japan, the United States

spends 6 percent of its GNP on its armed forces. Nearly all North At-lantic Treaty Organization countries spend a greater percentage of their economic output on their armed forces than does Japan. Mr. Nakasone held his news

conference after he and his cabinet were formally installed in ceremonies before Emperor Hirohito at the Imperial Palace. He said President Ronald Reagan had telephoned congratulations to him soon after the installation and had invited him to visit the United

At the news conference, Mr. Nakasone said: "I believe that our country's defense efforts have not been adequate. And I understand the argument put forward by the U.S. and its European allies that Japan should increase its military spending now that it has become a great economic power."
In the 1946 constitution, adopt-

ed while the nation was under American occupation, Japan renounced war "forever" and pledged that it would not maintain any form of war potential.

The constitutional provision subsequently was interpreted as permitting the formation of "self-defense forces," and Japan now has approximately 240,000 person-



Prime Minister Yasuhiro Nakasone, bottom center, posed with members of his cabinet at his official Tokyo residence after being inaugurated by Emperor Hirohito. On the left is Mitsuo Setoyama, the education minister, and on the right Kunikichi Saito, director-general of the Administrative Management Agency. Other ministers are, from left, Hyosuke Niwa, state minister; Akira Hatano, justice minister; Yoshiro Hayashi, health and welfare minister; Noboru Takeshita, finance minister; Hideo Utsumi, construction minister; and Shintaro Abe, foreign minister.

forces are barred from having any weapons designed for offensive

In his news conference, Mr. Nakasone indicated that he thought a stronger Japanese defense stance was advisable because it was in Japan's self-interest, not because of pressure from Washington.

Asked whether he anticipated increased U.S. pressure to raise military spending because of his somewhat "hawkish" reputation.

nel in its three services. Because of the new prime minister replied; "I the constitutional limitation, these do not think so. It is quite natural that we should defend our land by Still, many officials doubt that

Japan's recent military buildup will accelerate under Mr. Nakasone. During the economic up-surge of the 1970s, Japanese military spending rose by an average of 7 to 8 percent a year, well ahead of the increases for NATO nations. On the basis of its military outlays, Japan is the world's eighth-ranking military power.

But the country is in the midst of a fiscal austerity program to reduce government budget deficits, a policy Mr. Nakasone unequivocally endorses. Indeed, it seems that continued annual increases of 7 percent or so may be difficult to achieve at a time when the overall budget is shrinking, as is planned

for next year, by 5 percent.

Thus, it may be a triumph for Mr. Nakasone if he can simply maintain the recent pace of increases in military spending, ana-

"The United States can sign the document as it stands right now," a senior U.S. official said Sunday. referring to a draft agreement that most of the negotiating group had stacky nbour Delicate talks were continuing.

within the group Sunday evening, and the U.S. official described the

By Axel Krause

GENEVA - Major industrial-

ized nations, including the United States, and developing nations reached a broad tentative agree-

ment Sunday to halt growing pro-tectionism in agriculture and in-dustry. U.S. and EC sources said.

But the European Community,

mong about a dozen key partici-

At about midnight Sunday, con-

conference would fail, "If we don't

riculture and industry.

dian official said.

they said, threatened to block ac-

sions on farm export subsidies.

nal Herald Tribano

The official, who did not want to be identified, said he would not

pines. Argentina, Australia and cord because of it opposes provi-New Zealand. The negotiating group is led by Allan MacEachen, Canada's depu-The agreement emerged during trade conference of 88 nations ry prime minister. Arthur Dunkel, director-general of the General that began Wednesday in Geneva and had been scheduled to end Saturday. The meeting evolved Friday into marathon negotiations

EC Delegates Delay

Final GATT Accord

Over Farm Subsidies

rule out a failure of the conference.

He said that without EC agree-ment on subsidies, there could be

no deal linking settlement of all the issues, including trade in in-dustrial products and services.

tries participating in the negotiating group are the United States,

Japan, Switzerland, India, Brazil,

Pakistan, Colombia, the Philip-

In addition to the EC, the coun-

Agreement on Tariffs and Trade, the agency sponsoring the confer-ence, attended the sessions. Australia appeared Sunday pants who were trying to break deadlocks on proposals for trade liberalization that would affect agnight to be dissociating itself from

the overall agreement, saying that the trade liberalization commitments were weak and ineffective. J.D. Anthony, deputy prime minister and trade minister, said in ference sources said that if the deadlock was not resolved, the

an interview Saturday that "as far get the agreement, everything will become unraveled." a senior Canaas I am concerned. I have been disappointed." We seem to have drawn to a

standstill." the Australian said. "and in the final analysis it seems that those people who desperately want to take home a piece of paper have been prepared to compromise with the EC on almost every-

The Australian official also warned that EC resistance to trade liberalization in agriculture could "start a trade war" with the EC on

subsidized agricultural products.

Solidarity Calls Off Protest Plans,

"I think that is tragic, sad, but I think it is the inevitable consequence of the EC being unprepared to do anything in regard to subsidies."

Sir Roy Denman, the EC negotiator, said Sunday that substantial progress had been made in the group's talks, but that the participants "were not yet before an agreed package."

Sir Roy termed as "a silly point of view" widespread assertions by some delegates that the EC was "the villain.

Reiterating the EC stand that the community would not undertake new commitments on its farm export subsidies. Sir Roy said he hoped the EC's trading partners would endorse a "realistic" trade agreement. He emphasized that the EC had backed U.S. proposals on other issues.

Specifically, the EC's resistance stemmed from a phrase in the draft document saying that the SS parties in GATT would "bring agriculture more fully into the multilateral trading system," which is primarily industrial.

The document also incorporates a phrase committing GATT members to "seek to bring export competition under greater discipline." The EC views that reference as a direct threat to its Common Agricultural Policy.

The agreements reached for the draft document by the main participants in the negotiating group (Continued on Page 2, Col. 5)

Danielle and François Mitterrand on Sunday toured Agra, the city of the Taj Mahal, after receiving the traditional "tilak" marks on their foreheads. The tilak is a sign of greeting.

# **Arafat-Assad Dispute Continues**

By Loren Jenkins

Washington Post Service DAMASCUS - Yasser Arafat, the leader of the Palestine Liberanon Organization, left here during the weekend after the collapse of efforts to bring him together with President Hafez al-Assad of Syria to end a dispute that has impered the PLO's efforts to formulate a new policy.

Mr. Arafat, who had come inilially for a meeting of the PLO's to member central council, left angrily for Amman, Jordan, on Saturday after having delayed his des and TRUE parture for four hours waiting for an invitation to meet with Mr. As-

That Mr. Arafat went to Amman from Damascus to renew talks about relations with Jordan's King Hussein, who has been a pobrical enemy of Mr. Assad, could

leader. That Mr. Arafat's trip to Amman was taking place at the same time as that of Philip C. Habib, the special U.S. envoy, could heighten Mr. Assad's suspicions of the PLO leader. U.S. officials said the timing was a coincidence. .

Senior PLO officials close to Mr. Assad had worked hard for weeks to persuade him and Mr. Arafat to meet on their dispute, which has threatened to sabotage gy following its expulsion from Beirut

But neither leader was prepared to accept the other's conditions for a meeting, according to informed PLO sources. The Palestinian sources tried Saturday to play down the significance of the dis-

According to these sources, Mr.

worsen the dispute with the PLO

Assad wanted Mr. Arafat to openly praise Syrian support of the PLO and to withdraw Mr. Arafat's suggestions that the Syrians let the PLO down during the siege of West Beirut by the Israeli Army.

Mr. Arafat, these sources indicated, wanted Mr. Assad to treat him as a head of state when he visited Syria, just as other Arab lead-ers treat him when he visits their Mr. Assad's snub of Mr. Arafat

was the latest in a series since the end of the siege of Beirut last sum-

At the Arab summit conference in Fez, Morocco, in September, the two leaders hardly talked to each other. Two weeks ago at Leonid I. Brezhnev's funeral in Moscow, President Ali Nasser Mohammed of South Yemen tried to bring them together, but again Mr. As-(Continued on Page 2, Col. 1)

# France and India Sign Nuclear Fuel Accord

NEW DELHI - President François Mitterrand started talks with Prime Minister Indica Gandhi Saturday after his country and India signed an agreement on the supply of nuclear fuel for an American-built atomic power

plant near Bombay.

Mr. Mitterrand, who is seeking special commercial and political ties with the developing world. dew in from Egypt for a four-cal-

In an airport speech, he stressed

admiration for India's nonaligned foreign policy and said that France and India were anxious that the world "should escape from the grip of opposing military blocs." A cloud over Mr. Mitterrand's visit lifted when the two countries announced an agreement, only hours before his arrival, under which France will take over a U.S.

contract for uranium supplies to the Tarapur power plant. French insistence on strict safeguards had blocked agreement ince Paris offered to take over the

19-year-old contract four months ■ U.S. Role Was Abrogated

William Claiborne of The Wash-

ington Post reported from New Del-The nuclear-supply accord.

signed by the French ambassador, André Ross, and the chairman of India's Atomic Energy Commission, Homi N. Sethna, effectively transfers to France an obligation undertaken by the United States but abrogated by the 1978 U.S. Nuclear Nonproliferation Act.

While India accepts international inspection of the U.S.-built Tarapur plant, it does not agree to the overall controls required by the 1978 act

Mr. Mitterrand was understood to have intervened personally in the difficult French-Indian negotiations on supplying the enriched uranium for the Tarapur reactor,

of electricity. The plant has been running at 50-percent capacity while the dispute over controls on reprocessing spent fuel dragged

The French reportedly were ea-ger to resolve the impasse quickly so that Mr. Mitterrand could cultivate Mrs. Gandhi's government and pursue arms contracts as well as deals for the transfer of rechnol-

A spokesman for the Ministry of External Affairs indicated that the agreement fell within the 1963 U.S. Indian accord. has insisted upon. U.S. abandonment of that agreement triggered a dispute that soured relations between Washington and New Delhi until Mrs. Gandhi and President Ronald Reagan agreed last July to transfer the U.S. obligation to France.

As one of 15 member countries of the nuclear suppliers' group, or the "London Club," France is committed to impose safeguards on nuclear fuel reprocessing. These include the "pursuit" clause, which would extend the International Atomic Energy Agency safeguards not only to Tarapur, but to any plant using its by-products, and the "perpetuity" clause, which would apply the safeguards bevond the 1993 expiration of the U.S.-Indian agreement.

India has said both safeguard clauses are unacceptable and has threatened to scrap the U.S. agreement and reprocess spent fuel any-way, using the derived plutonium for operating Tarapur.

#### **High Tides Flood Venice**

The Associated Press VENICE - High tides flooded Venice on Sunday, pouring into homes, stores and hotels in low-lying areas and covering St. Mark's Square. It was the fourth flood this

By John Kifner New York Times Service

WARSAW — Underground leaders of Poland's banned Solidarity union, declaring that recent actions by the government had created a more conciliatory atmosphere, have called off a series of protest demonstrations for next month.

A series of communiqués from the union's Temporary Coordinat-Committee, which became available to foreign journalists Sat-urday, cited the following as peace gestures by the authorities: the release of Lech Walesa, the interned union leader; the establishment of a date for a visit by Pope John Paul II. and the indications by government officials that they intend to lift martial law at a parliament session Dec. 13.

"All this creates a completely new political situation," one of the bulletins said. "It allows the hope for at least some type of truce be-tween the authorities and the society. In this situation we have decided to cancel the December protest actions called for in the announcement of Oct. 20."

The Polish government declined to respond formally to the statement. A spokesman, Jerzy Urban, said, "The government only takes a stand on important issues and this one is of no significance whatsoever.

He said the message from the underground was merely "the make-believe activities of a small group of people who are of no importance any more and have no influence on the course of events in this country,'

The demonstrations had been

called to begin Dec. 13, the anniversary of the imposition of mar-tial law, which ended the 15-month reyday of Solidarity. The protests had been part of an underground Solidarity plan to build up to a general strike in the spring.

However, the first stage of the and demonstrations called for Nov. 10, failed to materialize in the face of a well-organized gov-ernment campaign of highly visible gestures, intimidation in the factories and police saturation on the street

The tentative strategy that appears to be emerging now rests on the hope that the authorities, having regained control, would now work with the Roman Catholic Church to provide a degree of limited freedom and maneuvering room to cheer up the sullen popu-

Solidarity's supporters are hoping to operate under this blanket for small gains, particularly am-nesty for their interned and arrested activists.

This line of thought was explored somewhat in another underground broadside — one from a Warsaw Solidarity affiliate called the Social Resistance Committee - obtained earlier last week.

The broadside, printed in Solidarity's Mazowsze Weekly, suggested that the role of Archbishop Jozef Glemp in reaching a rap prochement with the authorities was politically complex. On one hand, it said, the church had "acted hand in hand with the regime' in thwarting the Solidarity demonstrations, but on the other perhaps the church was trying to establish

Citing Authorities' Peace Gestures some "new legal political plat-form."

"A lot seems to indicate tha these moves are aimed at creating for the regime the room for a with drawal maneuver while saving face from its current political line, which is devoid of perspective, ble for them to present the present necessary concessions for the society as proofs of strength and good

will on the part of the authorities."
It added, "If the church's reckoning proves to be correct, there may open a chance for conducting a kind of opposition activities within the framework of legal structures.

Whether this rationale will be borne out remains to be seen. The authorities have made it clear they have little patience with dissent and have buttressed their position with a series of new laws that will give the government stricter control even when martial law is lift-

Airline Hijacking Thwarted

A Hungarian airliner left War-saw for Budapest Sunday, about 12 hours after the Polish security police foiled an attempt by an armed man to hijack it to West Berlin Saturday, officials at Okecie International Airport in Warsaw told Reuters.

Airport sources said the hijacker, a young man in what appeared to be a Polish Army uniform, had boarded the Maley plane during a stopover on a flight from Leain-

grad to Budanest. Nine Polish planes have been hijacked to West Berlin since 1969, three since the declaration of martial law last December.

#### INSIDE

The Reagan administration reportedly is close to approving a proposal that would ou-site inspection as a condition for ratifying two treaties with Russia on underground nuclear testing,

III A compromise plan for fu-ture UNESCO activities in communications was worked out in Paris after a panel agreed to change or delete passages that Western journalists felt would be prejudicial to press freedoms.

Britain's system of free. comprehensive medical care is going through its most troubled period since it was founded 34 years ago.

In the spring of 1955, the Egyptian government asked a prominent American Quaker to undertake a secret diplomatic assignment intended to bring about a political settlement with Israel. The effort collansed only after a sudden outbreak of fighting between Israelis and Palestinians in the Gaza Strip.

Australian conservationists say that American imports of kangaroo products are endangering the country's best-Page 6. known animal,

The first of a two-part special report on the Euromarkets appears today.

# In Rural Kenya, the Trappings of Prosperity 2 Farmers Build Profits on Government Incentives, Personal Loans, Initiative

By Leon Dash Washington Past Service

KILIBWONI, Kenya - This village in the Nandi Hills and the people I knew 13 years ago when I lived here as a Peace Corps volunteer have changed. Richard Arap Mwei now lives in five room, red-brick house in-

steam of the traditional round mud-and-thatch but. A short distance away, Cleophas Arap Moro has three workmen hand-chipping stone blocks into bricks for the facade of his new bouse. And when I visited them last month, both men slaughtered goats to honor my return. There is no more certain sign of prosperity in rural Kenya than platters filled with hot mounds of freshly roasted goat meat, to be Washed down with curdled mursik. a lasty milk drink of yogurt tex-

I went back to a village I knew well to get a view of the changes wought by a decade of economic hard times and political turnoil for much of the continent. I wantad to know whether serious efforts toward development had been made. Fully aware that the visit would produce nothing more than 4 Snapshot of one place at a given time, I thought I could nonetheless learn something about rural life in Africa in microcosm:

about. Its game parks and beautiful beaches, its relatively stable, mixed economy and political insti-tutions and its history of anti-colonial struggle has made it a focal international attention and help. And a few months ago it made headlines when air force of-

#### RETURN TO KILIBWONI

First of three articles.

ficers and enlisted men attempted a coup and caused international confidence in Kenya to waver. In the mids: of the lively male banter at Richard's party - the

women, as is the custom, are separately in the kitchen - I learned that the price of a goat had more than quadrupled since 1969 from

\$7 to \$30. Nov. \$30 is a considerable sum of money in rural Kenya. In 1969 it could pay two-thirds of a year's tuition for a high school student. Even with the rise in my friends' affluence, it is still a large sum compared with Richard's monthly take-home pay of \$53.80 from his job as Kilibwoni's cattle-dip clerk

\$119 as Kilibwoni's subchief. In 1969, Richard was working as a house cleaner and clothes washer for \$11.50 a month, and Cleophas was clerk to the chief, at a salary of 544.30.

In Kilibwoni these days, signs of well-being and progress are everywhere Every farm has acres of eight-foot, high-yield hybrid. Planting of the expensive hybrid corn was far from universal in 1969. Another startling change is the profusion of quality dairy cows that are replacing the traditional humped-back zebus.

Significantly, most of the development has grown directly out of Kenya's policy of paying profitable prices to its farmers — a pro-gram that has produced develop-and coffee for Kenya, coffee and ment incentive. Kenya's government learned just how sensitive its farmers are to price fluctuations when it set the price for corn too low and production plummeted in the late 1970s from national self-

sufficiency to deficit. It was a costly lesson, compounded by spotty droughts and planning mismanagement. Kenya ended up spending millions of dollars of dwindling foreign exchange reserves in 1980 to import corn. Corn, Kenyans' food staple, was eaten mainly by the urban popula-

Kenya is one of the African and Cleophas's monthly salary of tion, only 15 percent of almost 18 countries Westerners know most \$119 as Kilibwoni's subchief. million people, while most of the million people, while most of the country's 1.7 million small farmers grew corn for home consumption

> But as government-determined prices on food crops have gone up, so has production, making Kenya one of a few black African countries today capable of self-sufficiency in food. Kenya's mixed-economy ap-

> proach, capitalist in its underpinnings with heavy government investment and direction, is identical to its often cited successful West African counternart, the Ivory Coast, Both countries, however, in recent years have been severely hurt by sharp drops in world priccocoa for the Ivery Coast.

> whole, the World Bank and numerous development economists have forecast a gloomy economic picture. The few African countries that have had substantial development - Kenya, Ivory Coast, Cameroon, Malawi and Zimbabwe will suffer during the world recession, but they appear to have a greater cushion from which to bounce back than most of their

Late last month, President Dan-

neighbors.

For black African countries as a government would cut back sharpon what heretofore were viewed as necessary expenditures. Kenya's farmers, in the meantime, are to receive additional cash bonuses for increasing production and timely repayment of government loans. In 1969, neither Richard nor

Cleophas had the credit standing to qualify for small farmer loans. Richard had no land. Cleophas had a virtually bare shop at Kilibwoni's trading center and eight ther, But neither Cleophas nor anyone else in Kilibwoni had title deeds to use as loan collateral. Today, for land that has been paid off, everyone has a title deed.

Cleophas Arap Moro inspects tea bushes near Kilibwoni. In the background is hybrid corn.

I was living well on a Peace Corps living allowance of \$104 a month. Halfway through 1969. Richard borrowed \$71, half as a down payment on two and a half acres of land and half to buy corn and fertilizer. Cleophas borrowed \$142 to buy goods for his shop.

iel Arap Moi announced that the acres of land inherited from his famonthly amounts, and the absence of any interest on the loans accrued to them as profit, which they immediately plowed back into more land or more goods.

"I was never able to accumulate enough money to buy even one acre of land at one time before the loan," Richard said. One acre of land in 1969 sold for a high of \$71 and goes for as high as \$762 today.

(Continued on Page 2, Col. 5)

# Nasser, Ben-Gurion Considered Talks in '55 American Quaker Says Egyptian Asked Him to Undertake Secret Mission

By Bernard Gwertzman

Vew York Times Service WASHINGTON - In the spring of 1955, the Egyptian gov-ernment asked a prominent American Quaker to undertake a secret diplomatic assignment intended to bring about a political settlement with Israel.

The American who undertook the mission, Elmore Jackson, says in a newly completed, unpublished account of his efforts that he was making progress toward setting up a meeting of senior Egyptian and Israeli officials, but a sudden outbreak of fighting between Israelis and Palestinians in the Gaza Strip caused the mission to fail.

Mr. Jackson had the backing of the U.S. government and the per-sonal backing of Gamal Abdel Nasser, the Egyptian prime minister; Moshe Sharett, the acting Israeli prime minister, and David Ben-Gurion, who was serving as defense minister but was the principal political figure in Israel

A State Department official said last week that departmental records confirmed that Mr. Jackson had been on the mission. Mr. Jackson, now 72, said in a

telephone interview from his home

in Newtown, Pennsylvania, that he was making the details of his mission public in part to disclose Nasser's initiation of the effort.

He said he had been encouraged by Egyptian officials to make his story known to demonstrate to Arabs that President Hosni Mubarak. in pursuing peace in the Middle it, was not just emulating President Anwar Sadat, who was assas-sinated by Moslem extremists last year, but was also following in Nasser's footsteps.

"Nasser had a unique position in the Arab world." he said in a written summary of his mission. "He was a symbol of Arab nationalism, and the Egyptian revolution had stirred deep emotions throughout the Arab world. The fact that Nasser explored seriously the possibilities of a peace settle-ment with Israel — before he turned to Eastern Europe for arms supply — should be of major interest to all those who seek an end to the cycles of violence which periodically convulse the Middle

Mr. Jackson said that "it may come as a surprise that Nasser the vigorous apostle of Arab na-tionalism — should have taken

"But Nasser was under heavy pressure from his generals for a major new arms supply," he said. He feared his arms negotiations with the United States were going nowhere. If he could get a basic settlement with Israel - or at least some acceptable modus vivendi he could avoid having to turn to what he considered to be his last major option — an arms supply agreement with Eastern Europe."

Mr. Jackson was, in 1955, the Quakers' chief representative at the United Nations, and he later worked for the State Department. Using commercial airliners and traveling alone, Mr. Jackson made

three round trips between Egypt and Israel, changing planes in Cyprus or Greece each time. He met with Nasser, Mr. Sharett and Ben-Gurion each time. Ben-Gurion, according to Mr. ckson's account, told Mr. Jack-

son during their first meeting that he would go anywhere to meet Nasser is a decent fellow who has the interest of his people genu-

inely at heart," Ben-Gurion report-Nasser, according to Mr. Jackson, was initially "intrigued by the idea" but in the end decided

cause of the Israeli retaliatory raid against Palestinian guerrillas in the Gaza strip, a raid that the Israelis had at first canceled in deference to the Jackson mission.

Nasser told Mr. Jackson, according to the account, that he needed a longer "period of calm." The Egyptian leader then agreed to accept arms from Czechoslovakia, provoking a storm in the region and in Europe. Fourteen months after the Jack-

son mission failed, war broke out again in the Middle East, with an attack on Egypt by Britain, France and Israel. They were eventually forced to withdraw under pressure from the United States and the Soviet Union. The Quakers were drawn into

the peace efforts in 1955 at Nasser's initiative by Ahmed Hussein, the Egyptian ambassador to Washington, who was a person-al friend of Nasser, Mr. Jackson

An initial meeting at the Egyptian Embassy in Washington on April 12 with some leading Quaker leaders was followed by a session in New York on July 15 with Foreign Minister Mahmoud Fawzi. In between, the Quakers consulted



with the State Department, which gave its approval. Arriving in Israel on Aug. 9, 1955. Mr. Jackson met with Ben-Gurion, who he said was "at his philosophical and charismatic

"Our meeting closed with his saying he would go anywhere to talk to Prime Minister Nasser—even to Cairo." he said. When told about Ben-Gurion's



David Ben-Gurion

call for a meeting, Nasser "seemed initially to be intrigued with the idea," and they explored the place, timing and possible agenda, and whether progress would be "suffi-cient to permit him to carry other Arab states with him."

But after the Israeli attack in the Gaza Strip, Nasser told Mr. Jack-son that the raid had been "sufficiently severe that a little time was needed for things to cool down."

# U.S. May Seek Change In Nuclear Test Pacts To Get On-Site Checks

New York Tunes Service

WASHINGTON - The Reagan administration is close to approving a proposal that would require on-sité inspection as a condition for ratifying two treaties with the Soviet Union on underground nuclear testing, according to U.S. of-

President Ronald Reagan has not made a final decision, they said. But there is now substantial agreement among officials working on the accords about the changes that the United States should propose to strengthen its ability to verify Soviet compliance.

Some supporters of the treaties, including Senator Charles H. Percy, Republican of Illinois, have urged the administration not to go forward. He has privately warned that insisting on such inspection might prompt the Soviet Union to

reject the treaties.

The Threshold Test Ban Treaty. signed in 1974, and the Peaceful Nuclear Explosions Treaty, signed in 1976, limit underground tests—the only kind permitted—to 150 kilotons, or about 10 times the explosive power of the bomb dropped on Hiroshima. Neither accord has been sent to the Senate. where two-thirds of the chamber must approve of the accords be-fore they are ratified and formally take effect.

Last July, the administration de-cided to set aside efforts to negotiate a comprehensive ban on nuclear testing until verification mea-sures of these two treaties could be improved. Officials argued at that time that the United States could not adequately verify that the Soviet Union was complying with ei-ther agreement, and that the treaties should not be ratified until monitoring provisions had been

The officials said that most

encies had now agreed on a pro-

ment is said to be insisting that the

threshold for on-site inspection be

Officials said that under the pro-

upgraded. Since then, an interagency working group, composed of officials from the State, Defense and Energy departments, the Arms Control and Disarmament Agency, and the National Security Council staff have been weighing two major pro-posals designed to improve confi-dence in the nation's ability to

determine that Moscow is not exceeding the testing ceiling.

posal that would require the United States and the Soviet Union to provide advance notice of any test larger than 75 kilotons, or half the explosive power permitted by the ame result as 20 to 25 nuclear treaties. Only the Defense Depart-

The ministers are also expected lower. The Pentagon is pressing for a 50-kiloton threshold. This disagreement has delayed

In case of an emergency in the Gall, the U.S. Rapid Deployment Force is expected to have to draw heavily on noncombat troops and equipment stationed in Europe. In such an emergency, diplomats said, U.S. plans are for West Europeans to replace up to 80,000 U.S. servicemen involved in logistics

tle its existing missiles targeted on Western Europe.
Although nuclear issues are expected to dominate the four days

meetings, the strengthening of NATO's conventional forces is also high on the agenda, diplomate NATO's top commander in Eu-

conventional weapons to redress the East-West imbalance in nonnuclear forces. General Rogers has said that such weapons could allow the alli-

ance to reduce the number of its short-range nuclear arms.

ton warhead.

to discuss greater burden-sharing within the alliance, as requested by the United States.

Europeans to stand firm on NATO's decision of December 1979 to deploy the new weapons if the Soviet Union does not disman-

rope, General Bernard W. Rogers, has proposed that NATO make more use of new technology in

He has been supported by Manfred Wörner, the West German defense minister. Mr. Wörner said in a report in June that 50 or 60 missiles armed with conventional warheads could achieve the weapons each carrying a 10-kilo-

final approval of the modifications, officials noted. posal being weighed, if the Soviet Union or the United States

# **NATO Missile Plans** On Ministers' Agenda

Reuters
BRUSSELS — NATO defense ministers this week will reiterate their aim to start deploying Pershing-2 and cruise missiles by the end of next year if there is no arms control agreement with the Soviet Union by then, diplomars say.

The defense ministers are holding their regular autumn meeting here, confronted with a growing anti-nuclear weapons campaign that has spread to the United

NATO's European defense ministers, are to meet Monday, 2 day before the full nuclear planning group, and are expected to emphasize the important contribution that Western Europe makes to the alliance's global military effort. The alliance is preparing for a

test of nerves with the new Soviet leadership, which diplomats be-lieve will step up efforts to prevent deployment of the U.S. missiles in Western Europe. These missiles would be able to reach the Soviet Union from bases in NATO coun-The new Soviet party chief, Yuri

V. Andropov, has already urged West to delay deployment while the U.S.-Soviet talks to limit medium-range nuclear missiles continue in Geneva. Those talks have been going on for a year.
Diplomats said that Mr. Andro-

pov made the plea when he met West Germany's foreign minister, Hans-Dietrich Genscher, at the funeral of President Leonid I. Brezhuev earlier this month in Mos-The diplomats said that the

Farm Issue Blocks GATT

(Continued from Page 1) covered the following key areas, conference sources said:

• The major GATT nations agreed on the language for a sec-tion in the text regarding a broad political commitment to halt grow-ing protectionist practices, which are playing a role in slowing the world's \$2-trillion annual trade

The United States, Australia and other nations had previously referred to the need to obtain a commitment to policies of "standstill" and "rollback," aimed at dismantling protectionist practices. The compromise version commits signatories to refraining from "taking" or "maintaining"

such practices.

The agreement calls for a oneyear study aimed at developing an improved more efficient system of safeguards among GATT mem-bers, both importing and exporting nations. The safeguards are temporary legal measures that govern-ments can take to protect their in-

dustries from foreign competition.
The study, which was backed by
the United States, the EC and developing nations, is aimed at identifying protectionist measures and improving multilateral surveillance

### For Kenyans, A New Life

(Continued from Page 1) Profit then on each acre of hybrid com sold was \$71.42.

The average highland small farmer today owns 5.5 acres of land. Richard's holdings have grown to 15.5 acres. Thirteen years ago he owned no cows: today he has eight dairy cows and three beef Two years ago, when construc-

tion of the area's first asphalt allseason road began nearby, Richard bought a small shop near the road for \$485. The shop value has since doubled. Cleophas built his \$142 into more than \$1,500 cash by 1975.

That year he used the entire amount as a down payment on a 24-acre farm east of Kilibwoni. He has 4.5 acres of corn and five dairy With their salaries and farm

sales, Richard averaged \$1,400 in earnings last year and Cleophas \$2,500. Kenya's per capita income

NEXT: Despite signs of progress, many of Kenya's rural poor are trapped in subsistence farming. under GATT trading rules and

 Dispute-settlement procedures were agreed to under GATT agricultural products.

studied individually by each GATT member that has "an interest in services."

The proposal affecting services was pushed for strongly by the United States, supported by the EC. but opposed by important developing nations, notably India, mainly because of U.S. insistence that any study be conducted under

In compromise language, which the United States accepted, the agreement "invites contracting parties to exchange information on the services industry through organizations such as GATT, and to report back at the 1984 GATT ministerial meeting to see whether "any multilateral action" in ser-

Although the services section is of the commitment we have made to improving the. GATT system here and making it work," a senior U.S. official said. "Everything, of course, now de-pends on whether we can get an

agreement with the EC over agriculture," the official added.

and developing nations firmly ruled out Sunday an earlier possi-bility that the EC would issue a separate statement outlining its objections. The officials main-tained that GATT operated on a principle of consensus.

ministerial meeting in May 1963, when the community issued a simi-lar statement. That meeting launched the Kennedy Round of trade liberalization negotiations. U.S. officials said they were will-

controversy.

tion at Brussels. Also participating will be William E. Brock, the U.S. trade representative, and other top Reagan administration officials, as well as top officials of the EC Commission, including its president. Gaston Thorn.

planned a test larger than 75 kilotons, the country planning the test would have to permit the other to collect geological samples from the test site. In addition, officials from the observing country would be permitted before the test to place or watch the installment of its own

monitoring equipment at the site. These changes would most sub-stantially affect the Threshold Test Ban Treaty, which does not now permit any on-site inspection. The protocol of the treaty provides instead that once the accord is ratified, both countries shall provide the other with basic data about the geological composition of its test-ing sites and provide information about the yield of an actual test from a site. These data are intended to permit the United States to readjust its monitoring equipment outside the Soviet Union and bet-ter estimate the yield of Soviet

But administration officials have said that these provisions are inadequate. The Soviet Union could misrepresent the data and the United States would not have independent means of determining their accuracy, they argue.

part.

#### MX Basing Plan Does Not Violate Accords, U.S. Says

New York Times Service
WASHINGTON — The United States has rejected assertions made by Pravda, the Soviet party newspaper, that President Rouald Presents along the 1849 Reagan's plan to deploy the MX missile would violate the accords

missile would violate the accords-limiting strategic nuclear arms.

John Hughes, a State Depart-ment spokesman, issued a detailed rebuttal Friday to the charge, say-ing it remained the policy of the United States to "take no action which would undercut existing arms control agreements as long as the Soviets show equal restraint.

"Moscow is wrong," said Richard N. Perle, assistant secretary of defense for international security

policy.
The Pravda article Thursday, which was viewed as an authorita-tive response to President Reagan's MX basing plan, charged that the planned deployment "runs counter to one of the central provisions" of the first and second U.S.-Soviet strategic arms limitation treaties. The first accord expired in 1977, and the second was never ra-tified by the United States. But each side has said that it will abide by the second agreement as long as

the other does.
Mr. Hughes said that Mr.
Reagan's plan to place 100 MX missiles in a closely spaced basing, design, known as "dense pack," was "fully consistent with this pol-

#### WORLD BRIEFS

#### Socialists Accept Fanfani Program

ROME (Reuters) — Socialist Party leaders approved Prime Minister-designate Amintore Fanfani's plan for the Italian economy Sunday, clearing the way for the formation of a new coalition government, party

Mr. Fanfani, 74, a leader of the dominant Christian Democratic Party. was expected to tell President Sandro Pertini later Sunday or Monday that he was ready to form a new government. He has drawn up a 28-point plan for the economy, including more public spending and limits on wage increases.

The small Republican Party of former Prime Minister Giovanni Spadolini had been reluctant to join a new five-party coalition, charging that Mr. Fanfani had gone too far to appease the Socialists in his plan. But political sources said they expected the Republicans to agree Monday to

#### 2 Called Suspects in Shooting of Pope

ROME (UPI) — The judge investigating the assassination attempt against Pope John Paul II has issued arrest warrants for two Turkish men wanted in connection with the shooting, judicial sources said.

The sources said the warrants were issued Saturday for Oral Celik and Bechir Schenik, who are still at large. It was not known what role investigators believe the two men may have played in the May 13, 1981, shoot-

ing in St. Peter's Square.
The Italian news agency ANSA said investigators suspect Mr. Selenik of supplying Turkish terrorist Mehmet Ali Agca, who is serving a life sentence in an Italian jail for the shooting, with money to finance his travels through East and West Europe in the year before the shooting. ANSA said Mr. Celik may have helped Mr. Agea acquire the Browning pistol that he used to shoot the pope.

#### 31 in OAU Assail U.S. Over Namibia

TRIPOLI, Libya (Reuters) - Thirty-one African governments have condemned U.S. and South African attempts to link the independence of South-West Africa also known as Namibia, to a withdrawal of Cuban troops from Angola.

A resolution released Saturday by governments attending the 19th summit of the Organization of African Unity, which collapsed on Thursday, also denounced "Israeli aggression and genocide against the Palesunian and Lebanese people, in particular the massacres" at two Beirus refugee camps in September.

The Libyan foreign minister, Abdel-Ati Obeidi, said at a press conference Saturday that the statement on Namibia was a direct response to U.S. Vice President George Bush, who insisted that the issues were linked during an African tour this month. An OAU spokesman, Peter Onu, said the resolution was not official because it had not been adopted by a full summit.

#### For the Record

HELSINKI (Reuters) - Soviet Prime Minister Nikolai A. Tikhonov will begin a two-day official visit to Finland on Dec. 9. The visit was to have begun Nov. 24 but was postponed after the death of the Soviet leader, Leonid I. Brezhnev.

LUSAKA, Zambia (Reuters) - An army unit shot to death Adamson Mushala, a guerrilla leader notorious for seven years of attacks on remote communities, the official Zambia news agency said Sunday. It said Mr. Mushala, a former ranger who was said to have turned against President Kenneth Kaunda when refused a top job in game management, was killed Friday in an ambush at his hideout in Lunga National

BELFAST (AP) — A former part-time police officer was slain by two gunmen in Armagh on Saturday night, police said Sunday. They said the man, who was not immediately identified, was shot in the office of a gas station he owned. He was the 72d victim this year of sectarian violence in Northern Ireland.

BERN (UPI) - Swiss citizens turned down a government proposal Sunday and voted for permanent federal price controls. The vote was 56.5 percent for permanent controls and 43.5 percent for controls only in times of emergency. It was the seventh time that the government had been voted down in the 75 plebiscites on public issues held since 1891.

#### **Pushes Development** Subsidies From Its Gulf Neighbors Help Baghdad as Oil Output Drops by pipeline to Turkey, where it is shipped to Iraq's best customers, Italy, Brazil, France and countries of the Eastern bloc. By Drew Middleron New York Times Service BAGHDAD - A nation that Exports would triple, diplomats

Despite War Cost, Iraq

proceeds with work on a subway system in its capital while locked in a long war with a revolutionary and populous neighbor might strike some as foolhardy. But work on the Baghdad subway - among other major development projects
— is continuing here despite a war that is costing Iraq, according to foreign estimates, \$600 million to \$1 billion a year.

The construction of the subway system and development programs in the countryside testify to the resilience of an oil-based economy and the confidence of the government. The construction of schools and clinics, the development of irrigation projects and the building of factories and housing have con-

Foreign diplomats estimate that since the war with Iran began in September 1980, Iraq's reserves have shrunk to \$10 billion from \$30 billion or \$35 billion. The accuracy of all figures is in doubt, one foreign economics attaché noted, because each ministry keeps its own books and there is no over-

all financial statement. Oil is the key to the economy. Production has dropped from the prewar figure of 3.4 million barrels a day to about 850,000 barrels.

More than half the output moves

# Arafat, Assad Fail to Meet

(Continued from Page 1)

sad refused, reportedly saying they could meet in Damascus. The big problem underlining the dispute is Mr. Arafat's resentment of what he sees as Mr. Assad's effort to bend the PLO to make it serve Syrian, not Palestinian, inter-

Mr. Arafat's fear that Syria threatens the PLO's political independence led him to set up his nolitical headquarters in Tunis, the seat of the Arab League, rather than Damascus, as Mr. Assad had wished, after the PLO left Beirut.

Mr. Assad saw Mr. Arafat's move to Tunis as an insult, according to Syrian officials. "The problem is one of total mistrust between the two," said a PLO executive committee member who asked that his name not be used. Arafat suspects Assad of trying to manipulate the PLO for Syrian ends, and Assad suspects Arafat of serving the interest of conservative Arab states that are

eager to undermine his position." The dispute has deep signifi-cance for the PLO's unity because of Syria's importance as a conduit for arms supplies to the PLO, because of its control of at least three of the eight guerrilla organizations that make up the PLO and because it has a great deal of influence on at least half of the PLO's 15 executive committee members who make their home in Damascus.

The split is a major factor in the organization's failure to schedule a meeting of the Palestine national council, its parliament in exile, that ultimately must give Mr. Arafat and the PLO leadership a mandate to pursue new diplomatic initiatives. PLO members influenced by Mr. Assad want the national coun-

cil meeting to be held in Damascus. Mr. Arafat insists that

it meet in Tunis. As a compromise,

he has indicated privately that he

would be willing to hold a meeting

in Algiers.

but Syria is buying oil from Iran. If shipments from Iran end, diplo-mats predict, Syria is likely to reopen the pipeline.

The result would be a rapid improvement in Iraq's economic position, making it a better risk for

said, if Syria allowed the reopening of the pipeline that runs through

its territory to the Mediterranean.

Efforts to induce Syria to do so re-

flect the intricacies of Arab poli-tics. Saudi Arabia, diplomats said, is pushing Syria to reopen the line,

foreign investors. Saudi Arabia and the other Gulf countries have been subsidizing Iraq's war at the rate of about \$1 billion a month. A large but un-known percentage of this money from some of the most stoutly anti-communist governments in the region has gone to pay the So-

viet Union for arms. The diplomatic consensus is that if Syria keeps the pipeline shut and the war goes on, Iraq will be forced to cut purchases abroad. Japan, West Germany and Turkey are major exporters to Iraq and all will be hit if as President Saddem be hit if, as President Saddam Hussein has predicted, some national spending has to be cut. Imports this year will probably total

about \$19 billion. The government has been able to maintain the standard of living with some exceptions. Food prices have risen 30 percent since the start of the war, but prices of fuel, clothing and other necessities have

risen only marginally, diplomats Despite the war, foreign businessmen are showing confidence in Iraq's economy. The Baghdad Trade Fair, which opened Nov. 1, was attended by nearly 3,000 businessmen from 64 countries. The exhibits covered the political spectrum. The Palestine Liberation Organization was represented, as were the Soviet Union and compa-

nies from the United States. At the other end of the economic scale, villagers find that prices for chickens and rice have risen but not steeply enough to affect the average household seriously. Food distributed by the state is relatively cheap, but when the buyer ventures into luxury items the

price skyrockets. Some foreign investors complain that since the start of the war they have had difficulty collecting costs arising from overruns in construc-tion projects. A French company contracted to build the new Baghdad airport for about three-quar-ters of a billion dollars. The government paid the base cost but has not yet moved to pay an overrun cost of about \$200 million, diplo-

matic sources said. Bashdad is evidence of the government's willingness to proceed with construction projects. Three modern hotels have been built. Sewage disposal and water systems have been renovated. Roads and sidewalks have been improved. Much of this was in preparation for a summit meeting of the nonaligned nations. It had been scheduled to open in September but was canceled because of the war.

#### Copter Crash Kills 9 Indians

NEW DELHI — An air force helicopter crashed while flying a routine mission in northeastern Mizoram state, killing all nine air force and army personnel aboard, the Defense Ministry reported Sat-

# **ADOPTION SERVICES**

We are a licensed adoption agency now accepting applications for adoption of children born in the U.S.A. For information, please write or call:

> FRIENDS OF CHILDREN, INC. 4325 Memorial Drive Decatur, Georgia 30032, U.S.A. Telephone: (404) 294-9000.

# Turks Step Up Contact With East Bloc States

Esmat Sadat outside the courtroom before his hearing.

Esmat Sadat Declares Innocence

At Hearing on Corruption Charges

CAIRO - Esmat Sadat, at a court hearing Sunday, denied

charges of widespread fraud that have been brought against him.
"I am innocent," declared Mr. Sadat, the brother of the late

Anwar Sadat. "They say I got rich through fraud. If the government can find any of these riches it can keep them."

Mr. Sadat was speaking to journalists who swarmed around the prisoners' enclosure in the High Court of Justice for an impromp-

tu news conference, which temporarily halted the court proceed-

Mr. Sadat, two of his wives and 15 children have been accused

in connection with a series of swindles that netted millions of

Egyptian pounds, largely from land and property deals. Commen-

tators say the case is symptomatic of widespread graft that created

The hearing Sunday was called to determine whether an order prohibiting Mr. Sadat and his family from leaving Egypt should remain in force. The ban on Mr. Sadat, four sons, a daughter and his two wives was upheld. The judges lifted the order for seven

new millionaires in the later years of Sadat's government.

sons and three daughters.

By Marvine Howe New York Times Service ANKARA - The prime minister of Hungary spent three days in this NATO nation last week on a state visit intended to develop eco-

nomic and cultural cooperation. The prime minister, Gyorgy Lazar, whose visit ended Wednesday, received a warm ceremonial reception and held what were described as open and friendly talks with

military leaders and business rep-Mr. Lazar's trip followed recent visits by Turkey's president, General Kenan Evren, to Bulgaria, Romania and Yugoslavia and precedes his tour to China next month. The Turkish foreign minis-

ter. Ilter Turkmen, is making an

official visit to the Soviet Union. Turkish government officials insist that these high-level exchanges with communist countries are merely a continuation of Turkey's "multidimensional" foreign policy and cannot be considered a deviation from its traditional Western alliances. Nevertheless, Turkish journalists have noted a decline in high-level visitors from the West since the Turkish armed forces seized power on Sept. 12, 1980. In fact, there has been an in-

creased sense of isolation in Tur-

#### key as relations with partners such as France, West Germany and the Netherlands have become strained, whether over human rights issues, trade or immigrant workers. Fur-

Government Workers

Demonstrate in Bern BERN — About 30,000 govern-ment employees marched through Bern Saturday, demonstrating for shorter working hours and salary increases in line with inflation, po-

lice said. The demonstration, which a police spokesman said was the largest ever seen in the Swiss federal capital, was intended to back government proposals for a 42-hour week against what trade unions suspect is a move in parliament to veto the reduction for cost-cutting reasons when it is debated this week.

thermore, already cool relations with Greece have deteriorated since Andreas Papandreou's Socialist government came to office

last y Turkish politicians say privately that they hope relations with Western Europe will improve after the recent constitutional referendum, in which General Evren won a

91.3-percent endorsement as presi-General Evren has visited Pakistan and Kuwait in addition to the communist neighbors. But he has received no invitations to visit any Western allies, officials said. Officials in Ankara said there was no need for state visits to Western countries since there were "constant close technical contacts" through the North Atlantic Treaty

Organization and European organ-However, some Western diplomats question the effect of what appears to be a courtship of Turkey by the communist countries, coinciding with an obviously cool shoulder from Europe. Some U.S. officials expressed concern over this in private, noting Turkey's strategic importance as the NATO

member with the longest border on the Soviet Union.
The overtures from the communist countries are particularly in-teresting since the Turkish regime has clamped down on all leftist organizations.

Although Turkey has never for-

mally accused any country of fomenting the widespread political terrorism that brought on the 1980 military intervention, officials often acknowledge privately that they suspect that the Soviet Union and Bulgaria had a hand in it. "We want to increase the dialogue with communist countries because we must live with them in the region despite the differences in ideology, policies and approach as well as social and economic sys-

can't change our geography and so we must adapt." ■ Gromyko Welcomes Turkmen Mr. Turkmen arrived Sunday in Moscow and was met at the airport by his Soviet counterpart, Andrei A. Gromyko, The Associated Press reported, citing Tass.

tems," a senior official said. "We

procedures, the conference sources

rules, affecting both industrial and

• The services industry will be

GATT auspices.

is "appropriate and desirweaker than the Reagan administration would have liked. U.S. officials appeared satisfied. "It is part

Officials from the United States

The EC said there was a pre-cedent established during a GATT

ing to continue discussions with the EC over agricultural subsidies and related issues during bilateral talks starting Dec. 10 in Brussels. But it was not immediately clear how such talks could resolve the

Secretary of State George P. Shultz will head the U.S. delega-

Misser Term Wes

es Not Vide

Sure Laborat Marie

that Fresdon

ar : Fian io deple:

e would violate by

The paring

E Hughes a fact

THE SAME

ial Foder with the

furnition the page

id store to take

a would undam

- The Continue

े विकास करण व्यक्त

The the Line work of the

A. Perie Billians

er to a triangular.

Beauthanduse)

Tribonse to he

in o wood copyes

1. C. .: (E) C.

o. <u>1</u>2002. 2005.

io Taraneza

ு...ம். க.**.**ம். க...ம்.

ಾರ್ಯ ಓ ಎಂಚಿತ್ರ

in a magnessi;

Control of the Contro

\_1: \* \$50° F.

- ಇಲ್ಲರ್ಜ್ ಆರೋ guair ainn 19 più

. ≌ tr Ž. se

. tra Usrain

From the E

# Change Reagan Rules Out Idea t Pace By Advisers for a Tax Check On Jobless Benefits the proposal to put a disincentify the put a disi

New York Thines Service

SANTA BARBARA. California - President Ronald Reagan, attempting to end a damaging con-troversy, has personally "vetoed" the administration's study propos-

in the intelligible the administration's study proposing edupated at all for taxing unemployment benefing according to his spokesman.

This is not the type of thing I want to do," the president was quoted as declaring after reading news accounts of the proposal and the training of the suggest it stirred, and after talking the anger it stirred, and after talking the composition of the suggest it stirred and after talking the composition.

The president's reaction was result based as a ported by Larry M. Speakes, his deputy press secretary. Asked the composition of the data proof in learning of the dissent to the president had "hit the societ line."

Canada Accepts

## 2-Part Division of North Territories

OTTAWA — In a landmark de-rision in a 20-year struggle by the Eskimos of the Northwest Territories, the government Friday accepted division of the region into two governments.

John Munro, northern affairs minister, said severing the eastern form most of Canada's nonumenter form most of Canada's nonumenter form most of Canada's nonumenter form mould be conditional on set-SHINGTON - R tlement of four native land claims and a negotiated boundary.

> . A quarter of the 43,200 people living in the Northwest Territories are Eskimos who call themselves touit 7.000 are Indians and the rest of mixed origin.

> In an April 14 plebiscite, 56 percent of the region's voters approved a division. The push to split the territory came from the region's Inuit population in the eastern sector who want to create an area called Nunavut, meaning "Our Land."

> Mr. Munro said the division would enable northerners to control their own affairs, including economic matters, although mos funding would come from the federal treasury. Native residents have urged a division of the Northwest Territories since the early 1960s.

#### Ceausescu Ends Asia Tour

BUCHAREST - President Nicolae Ceausescu of Romania returned to Bucharest Sunday from official visits to Pakistan, Indonesia, Singapore, Malaysia and

tax on unemployment benefits, Mr. Speakes replied: "I've never scen the president bit the roof but I think he was pretty emphatic about how he feels about it.

in several interviews Friday, Mr. Meese tried to soull out the controversy, saying the proposal had not been seriously considered, particularly by the president. Al-though it was one of eight proposals on unemployment submitted to Mr. Reagan in an option paper, Mr. Meese said the president had not yet been briefed on the subject.

Mr. Meese said at one point. But in another interview he declared: "We do know that generally when unemployment benefits end, most people find jobs very quickly after

Mr. Meese added, "There are many families, for example, who, because of more than one wage-earner in the family, are earning almost as much on unemployment as they would in their regular jobs."

According to congressional data, 63 percent of workers receiving unemployment benefits have annual incomes of less than \$10,000. Of the 11.5 million workers currently unemployed, 6.3 mil-tion people, or 55 percent, no longer receive benefits.

In the face of lingering high unemployment, Democrats, labor leaders and other critics have argued that the study proposal betrayed more of a callous attitude in the administration, rather than a genuine strategy to deal with the righest levels of unemployment since the Depression.

Administration officials replied that unemployment benefits were aiready taxed for seasonal workers earning more than \$18,000 for couples and \$12,000 for individuals. Making the tax widespread among the unemployed and using the revenue for job training, they said, was only one of a comprehensive package of job-stimulating ideas. Over the weekend, Mr. Reagan

consulted by telephone from his ranch near Santa Barbara with Republican congressional leaders on the special session next week, aides said. No final decision has been made on whether to seek a sixmonth acceleration of next year's income tax cut, but aides suggested that the president might not submit the idea in the face of congressional opposition.

The president, in his weekly ra-

dio address Saturday, explained his decision to endorse the proposed doubling of the gasoline tax to finance a highway and transit repair program that he said would stimulate the creation of more than 320,000 jobs.



Police used nightsticks in an effort to apprehend a suspect who fell through a store window in Washington when looting broke out after a Ku Klux Klan rally. The man managed to climb out of the window and escape without being caught.

#### Police Teargas Unruly Crowd Protesting Ku Klux Klan Rally in Washington

WASHINGTON - Police used tear gas to contain an unruly crowd protesting the first Ku Klux Klan rally here in 57 years.

The police acted Saturday after anti-Klan demonstrators began throwing rocks and bottles and tried to break through police lines separating them from a small group of Klansmen who held a brief rally in Lafayette Park across the street from the White House.

Klan leaders had predicted that as many

as 200 of their members would march from the Capitol down Pennsylvania Avenue to rally in Lafayette Park across the street from the White House, Instead, about three dozen Klansmen showed up and, on the advice of the police, revised their plan in order to stay clear of numerous anti-Klan groups demon-strating by the hundreds at different points along the planned route.

The Klan canceled its march down the avenue, drove in a police motorcade to Lafayette Park and left their white robes in shopping bags during their 15-minute rally, which was more of a question-and-answer session with reporters than a full-fledged rally. Then they were swiftly escorted out of town by the

At least six policemen were injured, none seriously. Several demonstrators were arrested. Before order was restored, two cars had been overturned, at least two stores in the area had been looted and windows in a number of buildings, including the historic home of James Madison, had been smashed.

# U.S. Clergymen Assail Central America Policy

By Charles Austin New York Times Service

NEW YORK - More than 300 religious leaders in the United States, including 22 Roman Catholic bishops, have issued a message denouncing the Reagan adminis-tration's policies in Central Ameri-

The message, in the form of an ecumenical pastoral letter, comes amid growing concern by American churches over United States involvement in Central America.

"As citizens of the United States we are particularly sensitive to the responsibility that our government bears in the oppression and vio-lence in Central America," said the letter issued Friday at a news conference in New York.

The letter was distributed by the Inter-Religious Task Force on El

Salvador and Central America, supported by more than a dozen religious agencies. In addition to Catholic bishops, heads of several major Protestant denominations and nine American rabbis signed the appeal.

Noting that many churches have already protested military and economic support of governments in Central America, the letter said that "our government is embarked on a course which we believe will only increase the bloodshed and violation of people's rights and dignity, as well as increase the danger of regional war."

It continued: "We deplore our government's role in the militarization of Central America, including the slow but steady increase of . military advisers in El Salvador, Honduras and Guatemala."

Americans, the letter said,

should seek an end to all military aid and intervention in Central America, an end to covert operations by the United States government there, negotiated political so-lutions to conflicts in El Salvador and between Honduras and Nicaragua, and temporary asylum for Central Americans fleeing oppres-

Bishop René Valero of Brooklyn, one of the signers, said he believed there was a "greater awareness among American Catholics than ever before" of the problems the church faces in Central America, partly because of the growing number of American Catholics of Hispanic background.

Ruth Harris, an executive with the United Methodist Church Board of Global Ministries, said that after she visited Nicaragua and Costa Rica recently she felt "humiliated and angry" about

U.S. policy in the Caribbean. The Reagan administration's policies in Central America "dismayed us beyond words," she said, quoting a letter a delegation of church offi-cials wrote to farmers in Nicaragua after the delegation's visit there Nov. 10-22.

The church leaders signing the pastoral letter said they believed that U.S, aid to Guatemala provided "military assistance to a government responsible for the massacre of thousands of poor, indigenous people" and that the United States was behind covert economic efforts to destabilize the government of Nicaragua.

Participants in the news conference said their message was issued in consultation with church leaders in Central America, although they agreed that not all religious leaders there would agree with their posi-

# **Short Congress Session** May Serve as Preview Of Shift in Priorities

By Steven V. Roberts

New York Times Service WASHINGTON - The postelection session that begins on Capitol Hill Monday may turn out to be a preview of the new Congress that takes office in January.

In the view of many analysts, and a number of congressmen, the voters on Election Day signaled their representatives that they favored a shift in direction.

"There's a mandate in this country for action on jobs," said Sena-Richard G. Lugar, Republican of Indiana. "There's a great fear in this country that we have a gridlock of sorts, that we're dead in the water."

An aide to Senator Howard H. Baker Jr. of Tennessee, leader of the Senate's Republican majority. added, "We have to provide something that shows people we care."

Last week, congressional and administration leaders appeared to have begun responding to those signals. Senator Baker and Representative Thomas P. O'Neill Jr., speaker of the House and the chief Democratic spokesman in Congress, agreed to push forward in the postelection session with a bill to repair highways and create jobs. financed by a higher gasoline tax.

President Ronald Reagan somewhat belatedly endorsed a five-year. \$32.9-billion program along those lines.

Some version of the legislation is expected to pass before this edition of Congress goes home for good, probably the week before Christmas, And it is likely to be only the first of many efforts to address the United States' economic troubles.

House Democrats are talking about a companion bill, already dubbed "Baker-O'Neill 2," they hope to bring forward in coming weeks. It would involve accelerated spending of money already in the federal pipeline for various projects as a way to stimulate the economy. Meanwhile, lawmakers from both parties have been telling the White House to play down its emphasis on monetary policy, moderate its all-out attack on inflation and attach a higher priority to economic recovery.

In response, Mr. Reagan and some of his advisers have been considering the notion of moving up the 10-percent tax cut, sched-uled to take effect in July. It is likely that the president will propose action on this idea during the postelection period, but many legislators, fearful of the impact on the deficit, do not favor the concept as the best way of promoting economic growth.

While events in the short session

are likely to demonstrate Congress's desire to take more direct action on the economy, they should also reflect the considerable impact Mr. Reagan and his conservarive philosophy have made on Washington. No Democrat, it seems, dares propose a jobs bill that is not financed by a specific new tax or by a specific cut in other budget items.

Another item scheduled for the session that reflects directly the election returns is the "domestic content" bill. This would require any foreign car sold in the United States to contain a certain percentage of American-made parts. The legislation is being pushed strongly by the United Automobile Workers, whose membership has been hard hit by the automobile industry's slump.

Many legislators worry that Congress is about to be inundated by a wave of protectionism that light be hard to resist.

Another major focus of legislative activity will be the military budget. How willing the lawmakers are to strike out Pentagon pro-posals in this between-holidays session may foreshadow the outcome of the struggle next year over a reordering of national priorities. The biggest fight will probably come over the MX missile, recently renamed Peacekeeper as part of a strenuous White House effort to portray the weapon as an instrument of peace, not war.

Congress may also consider bills dealing with nuclear waste disposal, housing, immigration, regulatory reform, bankruptcy laws, aid to the Caribbean, and the powers of the Federal Trade Commission.

Whatever legislation comes up, the session that begins Monday really marks the unofficial opening of the 98th Congress. The 97th Congress ended in the voting booth on Nov. 2.

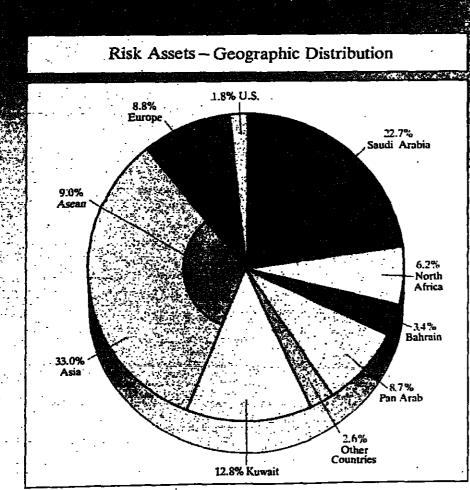
#### 4 Men Missing in U.S. In Fire at MX Test Site

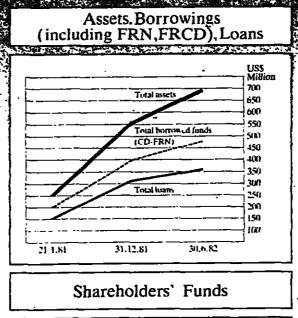
TULLAHOMA, Tennessee Four workmen were missing and presumed dead after a fire at a U.S. military base where MX intercontinental ballistic missiles are tested, an air force spokesman said-

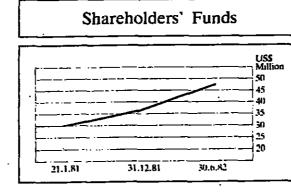
Two men were injured while ex-tinguishing the blaze Saturday night at Arnold Air Force Base, about 50 miles (80 kilometers) south of Nashville. There was no immediate estimate of damage. The cause of the fire, which broke out in an underground cavern after a rocket motor test, was under investigation.

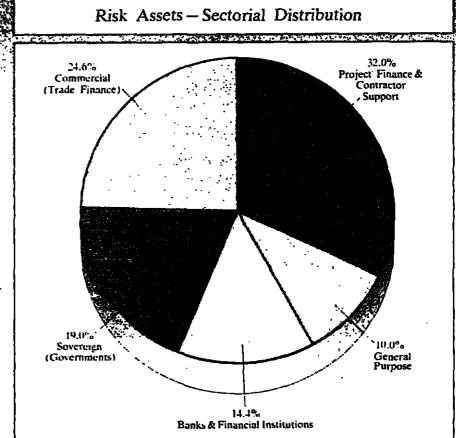
# How Diversified is Diversification











Since the incorporation of Arab Asian Bank e.c., we have consistently applied our expertise to the development of trade financing and project related contracting support facilities, both in Asia and to Asian affiliations in the Arab World, particularly in the Kingdom of Saudi Arabia.

As of today, 56% of Arab Asian Bank's risk asset portfolio is tied to these two target sectors of banking services. In geographical terms. Arab Asian Bank has a well diversified tisk asset portfolio of which 33% is in Asia alone. This together with our Group affiliated bank in Malaysia (Arab Malaysian Development Bank Bhd. with total assets of over US\$500 million), brings to our banking Group the largest concentration of banking assets of any Arab bank in Asia.

This achievement is the result of long term planning, foresight and imaginative corporate banking since our Group became instrumental in founding (1975) the Arab Malaysian Development Bank, in Kuala Lumpur, and the subsequent institution, namely Arab Asian Bank e.c. in Bahrain. Our bank's subsidiary. Arab Asian International Limited, Hong Kong was formed in 1981. This covers banking activities mainly in the region of North Asia, China, Japan, Asean and Australia - New Zealand. To date, our Group has managed syndications and private placement of loans, securities and guarantees of up to US\$4 billion.

We are the Arab banque d'affaires with roots in Asia.



Diplomat Tower, PO Box 5619, Bahrain, Tel: 233129, Telex: 8583. Arab Asian International Limited, 1003 Admiralty Centre, Tower II, Hong Kong, Tel: 5-290760, Telex: 62423

# When the PLO Says No

The rejection by the PLO of President Reagan's proposal for Arab-Israeli negotiations only proves the adage that those who make a bad war cannot make a good peace. After decades of futile but costly violence, culminating in the Lebanon debacle, the Palestine Liberation Organization seems tocally incapable of turning a frustrated nationalism into constructive political action.

After apparently heated debate, and contrary to the counsel of many Arab governments, the PLO's central council still refuses to recognize the reality of Israel, and lays claim to all its land for a state the PLO alone would run. It is hard to believe this really represents the views of the scattered 4 million Palestinians, who have never been democratically consulted about such leadership.

The council, egged on by Syria, condemns even Yasser Arafat for his discussion of a Jordan-Palestine confederation with King Hussein, as envisioned by Mr. Reagan. That leaves Mr. Arafat without a credible mandate and makes irrelevant his energetic efforts to have the United States deal with him.

If defeat in Lebanon, the futility of Soviet and Arab support and the dispersal of Palestinian guerrilla forces cannot rouse the PLO from its fantasies and shake its commitment to violence, there is, sad to say, only one remaining source of pressure: the relentless absorption by Israel of the West Bank and Gaza, where 1.3 million Palestinians can still make a plausible territorial claim. Those who

recognize these Palestinians' right to a large measure of self-government and seek to promote at least an interim settlement of the conflict - notably the United States - have declared themselves willing to resist the pace of Israeli settlement if diplomacy is given a chance. But the PLO's reasserted extremism turns that proposition on its head.

Let reality now sink in. If those who claim Palestinian leadership cannot contemplate coexistence, and persist in preventing King Hussein and West Bank residents from negotiating a true peace with Israel, then even this territory will soon be out of reach.

It sometimes seems as if these self-styled leaders prefer conditions that produce more Palestinian refugees and misery - and some more recruits for their desperate terror armies — to effective political action. Theirs has been a pathetic history of clamoring at every stage for what they could easily have had one or two wars earlier. They have thus encouraged extremism in Israel and perpetuated a tragic cycle of fear.

Mr. Reagan is left with no alternative but to hang his sensible proposals high above the Middle East and let more favorably disposed Arab leaders recognize that time is not on their side. If they truly fear Israel's urge to expand, let them offer it a fair peace. If they truly quake before the PLO extremists, let them use their considerable power to promote Palestinian leaders of a different spirit.

- THE NEW YORK TIMES.

# Nakasone and the Yen

With the election of Yasuhiro Nakasone as prime minister, a long period of indecision at the top of the Japanese government seems to be ending. His predecessor, Zenko Suzuki, seemed to regard himself as an interim figure. filling the job while the Liberal Democratic

Party debated its next steps.

Once again, in the tradition of the party, the question of leadership has been resolved essentially on personal grounds, with policy positions to come later.

Mr. Nakasone has said he wants to reduce the size and cost of government. He has been a supporter of a stronger defense force. Yet, as a practical matter, present Japanese policy on public spending and defense seems unlikely to change much. The real business of the new government lies elsewhere.

No country has a larger stake than Japan in the international system of trade, and that system is now in some considerable peril. The current conference of the General Agreement on Tariffs and Trade in Geneva is degenerating into a sullen exchange of accusations. The Japanese government never engages in this kind of recrimination, but, on the other hand, it rarely does much to alleviate the fears and political tensions in other countries.

Japan's export performance is based on superior products and sales organizations. But the extraordinary increase in Japanese companies' shares of foreign markets in the midst of a deep recession has contributed much to

Superpower Enlightenment

It is obvious that the political life of the

United States, from the beginning, has been

permeated by the Enlightenment values of its founders. What has perhaps been less noticed

is that the influence of these values, far from

falling away with time, has been increasingly

felt in American domestic life. The history of

race relations in America in the second half

of the 20th century, as compared with the

whole previous history of that dismal subject,

declaration on human rights, and when Mr. Andropov's KGB then jailed the Helsinki

Monitoring Committee, you don't have to be a dedicated cold warrior to find the word

But Soviet concern for human rights -

other than rights of people perceived as ene-

mies to their state system - is not in fact

altogether hypocritical, nor are Western

countries exempt from hypocrisy in this mat-ter. Between the wars, the Asian peoples un-

der Soviet rule benefited far more from that

condition than did any Asian and African

peoples from any form of West European

rule. That fact is generally ignored in the West. It is not ignored in the Third World.

Staying the Apartheid Course

It is remarkable, after more than a third of a century of uninterrupted Afrikaner nationalist rule, how little the profound, rigid and unshakable consistency of apartheid is under-

stood outside the country.

The grand design has not changed. The

acid test in this context was whether or not [Prime Minister] Botha would repeal, as he

said he might, the "Immorality" Act against

interracial sex. Fortunately for him, the Dutch Reformed Church, invited to give an

- Conor Cruise O'Brien in The Observer.

When the Soviet Union signed the Helsinki

bears impressive witness to that.

'hypocrisy" springing to your lips.

bringing the whole principle of open trade into jeopardy. The government, at least up to this point, has been reluctant to acknowledge that it has any responsibility to do anything about it - or even that there is any real substance to other people's complaints.

An example is the exchange rate of the yen, which has slid way down. The Japanese government did not engineer it, but neither did it do anything to prevent it. The effect has been to give Japanese goods, already highly competitive, a further and ferocious advantage in foreign markets. In the past several weeks the yen has risen significantly, but it is going to have to rise a lot farther before it reaches the range that most people consider its true trading value. If Japan's government continues to treat the yen rate as none of its business, and if the rate stays low, pressures will continue to rise in the United States and in Europe for the most pernicious and destructive kinds of protectionist legislation.

It is disquieting that nothing audible from Tokyo suggests that the incoming prime minister gives any particular priority to foreign economic policy and to the maintenance of trading relationships. But these relationships have become crucial to standards of living in all the industrial countries. A great deal de-pends on Mr. Nakasone's attention to them a great deal not only for the Japanese but for Europeans and Americans as well.

opinion, recently spoke out unequivocally against such a liberalization. Although this

unique law is honored more in the breach

than in the observance, it cannot be repealed.

To do so would destroy apartheid. If people of different races were allowed to marry, they

could hardly be prevented from living togeth-

er. From there it is no distance at all to the

gram, including the homelands.

Taxation and the Deficit

dismantling of the entire segregation pro-

The acknowledgment by two leading members of the Reagan administration that the

budget deficit could swell to \$200 billion in

fiscal 1984 should put an end once and for all

to the absurd talk circulating in Washington

these days about moving up the scheduled

third year of the Reagan tax cut from July !

to Jan. I. With deficits in triple digits for the

first time in American history, the nation simply cannot afford another tax cut.

There are citizens of Sicily who stand up against the loathsome rule of the Mafia on that island, and who sometimes pay with their lives for their defense of civilized values.

We never read about them here, or see the

film of their sacrifices on television. But Pope John Paul II, by going to Sicily and rebuking the Malia in scathing terms, and encouraging

those who refuse to cooperate with this criminal malignance, has put a seal of radiant re-cognition upon the Sicilians who are willing

to live in danger for the vision of virtue.

Let us not forget them. Nor let us forget that the mob and its vile works need to be

opposed in this country as well - coura-

geously and tenaciously.

— The San Francisco Examiner.

Standing Up to the Mafia

- The Dallas Times Herald.

— Dan van der Vat in The Guardian.

- THE WASHINGTON POST.



This one is for being unable to find who murdered the nuns. This one is for the sudden and amazing apprehension of the culprits. This one here is for dramatic improvements in human rights ...'

# Central America: Is Reagan Steering to War?

The policy did not, of course, begin with President Reagan. Its roots go back half a century or more, when U.S. Marines fought the Nicaraguan nationalist hero Augusto César San-dino and paved the way for the Somoza regime. But Mr. Reagan and his former secretary of state, Alexander Haig, raised it to new heights of doctrinal folly. There is reason to hope that Secretary George Shultz will modify both words and deeds when he gets around to it - but by then it may be too late.

United States is committed to a military-controlled government that is trying to suppress an indigenous revolution growing out of social, political and economic chaos.

In Nicaragua the United States

ST. GEORGE'S, Grenada -- Little Grenada is the only Marxist

Elizabeth II. The island is an anom-

er, Maurice Bishop, came to power by a coup. President Ronald Reagan

calls it "a carrier of the virus of

Marxism," yet it goes out of its way

to encourage its private sector, seeks foreign capital and has a campaign to

attract more North American tour-

ists, already its single largest group of

visitors. It has only one newspaper, state-run and full of government

propaganda, yet the island's radio

station, using a Cuban-built

The island is full of rolling mountains, a jungle of palms, oleander,

bougainvillea, purple and red hi-

biscus, crimson anthurium, bananas

breadfruit, ferns and palms. In 1979

its paternalistic and, by the standards of the democratic English-speaking

Caribbean, oppressive prime minis-ter, Eric Gairy, was deposed in a coup by the New Jewel Movement.

The movement was led by rather

transmitter, relays the BBC news.

aly in more ways than one.

By John B. Oakes

da and Honduras to overthrow it.

unable or unwilling to stop the massacres of Indian peasants. • In Honduras the United States is building a military machine as its surrogate in the effort to overthrow

ing Nicaragua. It thereby runs the risk of embroiling these and other countries in an unwanted, unnecessary and unconscionable war. In stubborn adherence to his Cen-

It was good theater when Ambas-sador Deane R. Hinton suddenly denounced in public - for the first time

threw a damper over his harsh words without repudiating them.

It was good theater when five national guardsmen, arrested several

months ago for the vicious murder of four churchwomen from the United States, were instantaneously dredged up for a speedy trial and, doubtless, a speedier conviction. It will be even better theater when Mr. Reagan and Mr. Hinton are able

to point to this trial in the nick of time to certify in January that the human rights record of the Salvadoran government really is improving enough to qualify it for continued U.S. military aid. Yet there is still no evidence that

Salvadoran courts dare proceed against the political and military higher-ups allegedly involved in daily murders in the streets and alleys. How could they when, as one State Department official has noted, "the night before a decision, someone tells a judge that we know your children and they're dead at noon if you act against a defendant"?

Will a carefully timed show trial of five low-ranking national guardsmen in January, with no effort to follow leads to higher authority, demonstrate respect for human rights?

There is currently no serious in-

ing the killings or covering them up," says the New York-based Lawyers Committee for International Human Rights in a letter sent this month to the State Department. The commit-tee, which has meticulously followed the case of the four murdered churchwomen from its beginning in December 1980, recently uncovered new evidence suggesting that "superiors" ordered the killing.
"We are unable to discover any lawyer in El Salvador willing to pursue a vigorous investigation of all leads in this case. This is, in part, because the superior of th

vestigation of the possible involve-ment of Salvadoran officers in order-

cause lawyers there do not believe that the United States Embassy is willing to support such an investiga-tion," writes the committee. No answer as yet — not even a rhetorical one — from Washington.

Meanwhile, things go on much as before, although at a slower tempo — 2,427 murdered so far this year, compared to 5,331 in all of 1981. Late last month it was reported that 15 more leaders of the political opposition had disappeared from Salvadoran streets. Eight have since turned up in the hands of the military, charged with terrorism. The other seven — if there were seven —

remain unaccounted for.

# Ignoring Foreign Newsmen

By Phillip Geyelin

WASHINGTON — "Follow the red line," the voice of the commander in chief commanded, and sure enough a red line surged "up and up and up" across the television screen. That was Soviet defense spending "Watch the blue line," the voice enjoined, as the "defense share" of the U.S. lederal budget squiggled dismally down from 1962 to 1982.

Ronald Reagan is the first president to use visual aids that squigete.

They then disappear off-screen while graphics, bearing no hint of their source or authenticity, are summoned up to make the argument.

Technologically this may be a triumph. But the flip side at the White House is the abandonment - the atrophy, really — of the art of com-munication in traditional ways.

I have in mind the ability, once highly prized in a president of the United States and his closest White United States and his closest white.
House advisers, to convey one-on-one to one-on-a-small-group) not only the essence and the purposes of poisty but the fine points. This White: House doesn't have it, or doesn't think it's worth having. The best evidence of this is to be found in the purpose of the control of the cont way it treats foreign correspondents.

way it treats foreign correspondents.

Of the dozens posted in Washington, the most important are those from countries in which a free pressillourishes, and the most important of these right now are from the Western allies. Administration officials are quick to complain bitterly about the rampant anti-Americanism they detect in the European press. But they seem to be unaware of the almost countless ways their predecessors found over the years to influence for-eign public opinion through Wash-

ington's foreign press corps.

The pickings have been lean in the first two Reagan years. An elite group of foreign correspondents that formed in the 1950s to meet American policy-makers for background briefings, and held together through the Kennedy, Johnson, Nixon, Ford and Carter years, disbanded early last year in Respair of finding open doors to the Respair of order.

to the Reagan people.

One of the principal figures in this now-defunct circle reports making 10 approaches to Judge William Clark, Mr. Reagan's pational security adviser, without success. One of Mr. Clark's underlings told him bluntly; he says, that the administration is not interested in foreign correspondents.

What is new is not the preference for the preference of t for unobstructed access to television. and radio, or, as a second priority, to:

the American press. The sharp and senseless break with the past is that the foreigners scarcely count at all. John Kennedy cultivated foreign newsmen to a fault, some would say. He even interviewed them.

When Secretary of State George Marshall launched the European economic recovery plan in a speech at Harvard, Undersecretary Dean Acheson recalls in his memoirs that he called in "my British friends" of the BBC, the Daily Telegraph and the Daily Express. He not only explained Mr. Marshall's speech, he asked that they cable the full text and "have their editors send a copy" to Foreign Secretary Ernest Bevin "with my esti-

mate of its importance." Richard Nixon once was so taken with a column in a London Sunday paper that he invited the author all the way to the White House for an exclusive interview. The public affairs office in the Nixon and Ford White Houses had a spokesman specifically assigned to foreign correspondents.

In the Carter years, Zbigniew Brzezinski, the national security adviser, was irrepressible. While this sometimes made for garbled presentation of policy, his special efforts to meet the needs of foreign correspondents served their purposes and more often than not the president's.

Making the effort is no guarantee of kindly treatment. But not making it invites trouble. "The good ones want to understand," says a former State Department spokesman. "And when they're blocked, they take second-bounce material." Not making the effort can only be a mark of inno-

NEW YORK — "Pay no attention to the rhetoric, just pay attention to the deeds," pleaded a State Department official defending the Reagan administration's Central American policy the other day. The remark was unintentionally ironic. In Central America, more than anywhere else, this administration's confrontational actions are totally con-

sistent with its militant rhetoric.

The bankruptcy of Mr. Reagan's rhetoric and action in Central Ameri-

ca becomes clearer every day:

• In El Salvador — a "no win" situation reminiscent of Vietnam — the

is endeavoring to subvert a radical government with which it refuses to negotiate except on U.S. terms. In the best Soviet style it is encouraging a potential armed invasion from Flori-In Guatemala the United States

is edging toward support of another right-wing military dictator, who is

the left-wing Sandinists of neighbor-

tral American policy of sterile anti-communism. Mr. Reagan spares no effort to hoodwink Congress and the American public. The recent rhetorical flap over El Salvador's system of justice" is a case in point.

- the right-wing death squads and the "rotten" judicial system under which they have been operating with impunity. And good theater again when the White House immediately

### The Caribbean: Grenada Wanted an Airport By Jonathan Power

violence, corruption and Mr. Gairy's country whose head of state is Queen eccentric speeches at the United Nations, where he proposed a study of It is the only country in the Eng-sh-speaking Caribbean whose lead-The people call their

"the revo." Wandering around the island, visiting the pretty capital port of St. George's, eating in its cheap but good lish restaurants, talking to apparently uninhibited passers-by on rural roads, it is hard to believe the experiment can be quite the "Marxist virus" that Mr. Reagan says. Yet there are real issues that worry not only Washington but also Lon-

don, Ottawa and Bonn, not to mention larger neighbors like Barbados and Jamaica. The principal concern is the building of the new airport by the Cubans. Meant to replace a tiny airport that can take only small propeller planes, it will have the capacity to handle, as former Secretary of State Alexander Haig said, any aircraft in the Soviet-Cuban inventory.

Western diplomats in Barbados make the case that Grenada sits astride the main tanker routes from the Gulf to southern U.S. ports; that idealistic but inexperienced young its proximity to South America could men who were tired of poll-rigging, provide a launching point for military

activities there; and that, come the day of race war in South Africa, it could be the major jumping off point for Cuban troops flying to the battle zone without need to refuel.

Grenada's government has allowed the Cubans, the Soviets and the Libyans to set up relatively sizable embassies. While the British have one man here and the Americans none, the Russians have four. The Cuban ambassador not only is reckoned to be one of his country's most sophisticated diplomats but sits in often on Grenada's cabinet meetings.

The government refuses to call elections, and in the green-roofed prison on the hilltop overlooking St. George's it has at least 60 and perhaps as many as 100 of its political opponents locked up.
Still, however pro-Cuban the rhetoric, the political leaders rarely use

serious Marxist terminology. And the economy is well run. In July a World

Bank mission gave it high marks.

That report should be compared with the recent World Bank study on Nicaragua, which was heavily critical. The government, it says, not only is encouraging every kind of private en-

deavor but has its main priorities right. The bank appears to accept the government's case that if it is to make the best of the tourist market it needs an airport that can handle the largest modern aircraft. Foreign Minister Unison Whiteman, in conversation, underlined this point, adding, "We have no intention, no plan to give military facilities to any third party."

While the refusal to call elections cannot reasonably be defended, it is true that the government is slowly — unnecessarily slowly — bringing its detainees to trial, often making use of judges from other islands. Even unsympathetic observers say the trials are free of political interference. It is hard not to think this beautiful island is eminently wooable. People wanted the new airport before the revolution, but no one would build it for them until Cuba offered.

Washington and London should go out of their way to make it easy for Grenada to shake off its Cuban and Soviet friends, who do not appear to sit comfortably in its relaxed and individualistic atmosphere. Pushing it into a corner, as has been the ten-dency in the last few years, is shortsighted and counterproductive.

International Herold Tribane.

cence --- or insecurity. The Washington Post.

#### NOV. 29: FROM OUR PAGES 75 AND 50 YEARS AGO

Other Opinion

#### 1907: Barmaids Can Carry On

LONDON - The Tribune comments on Mr. Herbert Gladstone's answer to a deputation, when he said the government had no intention of ending the occupation of barmaid: "To put an end to an occupation in which 100,000 women and girls are engaged would, as Mr. Gladstone pointed out, almost certainly produce results far more immediately disastrous than any mischief that could be shown under the present system. It is not proposed to interfere with the discretion of women as to their own employment under the law." The Daily Chronicle adds: "It is said that the barmaid is exposed to great moral dangers. It may be questioned whether shop girls are not yet more exposed to risks."

#### 1932: War Debts and Sterling

WASHINGTON - Holding firmly to the position that Europe has failed to produce any facts justifying requests for postpone-ment of war debt installments due Dec. 15, administration leaders, following a White House conference, are awaiting quietly the arrival of new London and Paris notes. In congressional circles, however, marked uncasiness was apparent as a result of the sensitiveness of sterling to the debt crisis, particularly with regard to its repercussions on the wheat and cotton markets. Some congressional leaders thought the sudden slump of sterling followed by depression in the domestic silver, cotton and wheat markets serious, although others appeared unimpressed.

#### JOHN HAY WHITNEY (1904-1982), Chairman KATHARINE GRAHAM and ARTHUR OCHS SULZBERGER, Co-Chairmen

LEE W. HUEBNER, Publisher PHILIP M. POISIE ROLAND PINSON Executive Editor

CARL GEWIRTZ

RENE BONDY
FRANÇOIS DESMAISONS
RICHARD H. MORGAN

International Herald Tribune, 181 Avenue Charles de Gaulle, 92200 Neuřily-sur-Seine, France Telephone 747-1265. Telex 612718 (Herald). Cables Herald Paris.

Directeur de la publication: Walter N. Thayer. General Manager, Asia: Alain Lecaur. 24-34 Hennessy Rd. Hong Kong, Tel. 5-28 56 18. Telex 61 170. S.A. an capital de 1.200.000 F. R.C.S. Nanterre B 732021126. Commission Paritaire No. 34231.
U.S. subscription: \$256 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
© 1982, International Herald Tribune. All rights reserved.

# Why Menachem Begin Is Popular

By Ze'ev Chafets

NEW YORK — In his five years as prime minister, Menachem Begin has been portrayed in the American press as a contentious and fanatic nationalist. The democratically elected leader of one of America's principal allies has become the man the U.S. foreign policy establishment loves to hate. This dislike has a parallel (some would say, its origin) in the antipathy of many Israeli intellectuals.

incongruities as the Camp David accords, a Nobel Peace Prize and evacuation of the Sinai. But cross the Hudson from Manhattan and Begin the fanatic becomes Begin the perennial Gallup Poll favorite. Leave the rarified atmosphere of Jerusalem's academic salons and Mr. Begin is a popular,

They, too, view him as a dangerous

hawk. This view has withstood such

revered political leader. What accounts for this disparity? One key to Mr. Begin's contin-ued popularity with the American public must surely be his steadfast pro-Americanism. Some foreign affairs sophisticates may view his friendship for America as an embarrassment, but the average Amer-

ican responds positively.

And what of Mr. Begin's popularity at home? Recent opinion polls show that he would be returned to office by a wide margin were elections to be held today.

The conventional wisdom in the American press is that Mr. Begin is despised by the educated and loved

by the great unwashed - the large

Oriental Jewish communities from

North Africa and Asia. This view is

both patronizing and incorrect. Certainly much of his support comes from working-class districts and disaffected Oriental Jews attracted by his populist nationalist policies and religious thetoric. But such supporters are by no means enough to account for his current showing in the polls, nor his elec-toral victory in 1981. The truth is that a large and ap-

parently growing number of col-lege-educated, middle-class Israelis, many of European origin, support Mr. Begin. The reason for this should be obvious: Mr. Begin has been exceptionally effective in pursuing policies that are entirely consistent with mainstream Israeli for-eign policy and defense concerns.

In the American press, the future of the West Bank and that of the Israeli settlements there are often portrayed as the main Israeli issues. They are indeed central questions, on which Israelis are almost evenly divided. They will remain the subject of bitter national debate. Still the refusal of King Hussein of Jordan to accept any territorial com-promise means that the Labor Party alternative to Mr. Begin's policy s hypothetical at best,

For now, immediate national security is the paramount concern for most Israelis. It is in this area that Mr. Begin has shown an ability to solve chronic and seemingly insoluble problems. The peace treaty with Egypt is only one example. Two others are worth consider-

raelis watched with growing alarm as Iraq's nuclear program proceeded toward its seemingly inevitable conclusion: acquisition of a nuclear bomb. It was widely held that nothing could be done to prevent it. The destruction of the Irani reactor and Mr. Begin's henceforth credible announcement that Israel will not permit enemy nations to introduce nuclear weapons into the Middle East were therefore greeted by most Israelis as an almost miraculous deliverance from nuclear terror. Similarly, the threat that the PLO

ing. Firstly, recall that for years Is-

presence in Lebanon posed to Israel was a concern of Israeli governments for more than a decade. Previous governments' efforts had failed to remove the threat, and most Israelis had become resigned to the need to live behind barbedwire and electronic fences.

This summer's war and the dispersal of the PLO have changed the quality of life in Israel in a fundamental way. Foreign observers who argue that the PLO had been inactive across the northern border for much of the preceeding year miss the point. The jubilant reaction of the residents of Galilee to the expulsion of the PLO provided eloquent testimony that they had regarded PLO terror as a present and palpable danger, now removed by action of the Israeli government.

The writer, who is on leave of absence from his post as director of the Israeli government press office, is writing a book about American press coverage of the Middle East.

#### LETTERS TO THE EDITOR

#### By Any Other Name We should not let the Reagan ad-

ministration get away with its cynical misnomer for the MX nuclear missile program: "Peacekeeper." The weap-on should be referred to by the name used in the Pentagon's missile-killing theory on which the MX "dense pack" is based: "Francicide." BRIAN STONEHILL

#### The French Deterrent

Regarding "Paying Off the Alliance's Nuclear Mortgage" by Gerard C. Smith (IHT, Nov. 17): One cannot but express some surprise and dismay at reading Ambassador Smith's comments. One may understand the academic quest for once-and-for-all solutions to the security problems of Europe, however irrelevant they may appear to the current issues facing the alliance; but it is somewhat saddening to see someone who should be more fully aware of French institutions bluntly assert that "nuclear policy-making is not yet

democratized in France." Any observer of the French scene could indeed testify that defense is-sues are thoroughly debated by the Parliament and the media. As recently as Nov. 12, the National Assembly devoted more than six hours to the discussion of the defense budget; the debates on the floor took 43 single-spaced pages of the French equiva-lent of the Congressional Record. Both majority and opposition speakers stressed the importance of increasing the quality and readiness of the French nuclear forces, demonstrating once again that, on this cru-cial issue, a wide consensus exists. It

is strange that the emergence, in a country like ours, of a firm and widely supported opinion could be inter-preted as a lack of democracy.

Mard J.

भेली (भूभू

1]08.7 ‡

The truth is that France has continuously reaffirmed her attachment to an independent nuclear deterrent The nuclear component of the French defense budget which amounted to 30.6 percent in fiscal 1982 will reach 31.6 percent in fiscal 1983. Those are the facts, even if they are not to the liking of the proponents of the re-commendation to the Europeans that they should play the conventional hostages in a limited war in Europe.

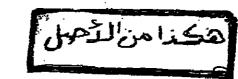
ALAIN DEJAMMET, " Press and Information Services, Ministry of External Relations.

#### Who's the Pest?

Regarding "Getting Close-Ups of the Polar Bears" (IHT, Nov. 11): The reporter writes that the animals "have become dangerous pests" to an increasing human population.". Inasmuch as he admits that "the bears have thrived unchallenged for centuries" there, wouldn't it be more accurate to say that humans have become dangerous pests to the bears?

AI HIX. Zagreb, Yugoslavia.

Letters intended for publication should be addressed to the editor and contain the writer's signature, name and address. Brief letters receive priority, and letters may be abridged. We cannot acknowledge of the readers who submit them.



dropov addressed the Committee last party Central Committee last week the new leader spoke first oc. the total of the lease and longest about economic probability and longest about economic probability of the lease Rather than vaunting Soviet areas as Leonid I. Brezhnev

chief common and longest about economic probchief common lens. Rather than vaunting Soviet
a red line strain did before turning to shortcomared line strain did before turning to shortcomings. Mr. Andropov gave it
was soviet did before turning to shortcomings. Mr. Andropov gave it
was the blue to straight. More than half of his
speech was devoted to a chronicle
of the burearratization, idleness,
vastefulness and inertia that have
mined the world's fastest growing
industrial economy into a slugindustrial economy into a slugindustrial against immobility, and Mr.
the abandomen particular failings, but it is a long
in traditional ma
in mind the and
in traditional ma
in tradi

in traditional the and time since a Soviet leader gave so mind the about dictment.

At first glance, the credentials of the new party boss seem unpromisions. To conversion for an economic innovator. He isers, to convey use ing for an economic innovator. He and the purpose farm But his position for the last line purpose. and the purpose faim. But his position for the last since points has never managed a plant or a since purpose faim. But his position for the last points has never managed a plant or a million. In the 1981-85 Five Year since points has 15 years as chairman of the KGB.

Plant has 15 years as chairman of the KGB.

Plant 90 percent of the growth was to come from increased labor prolints 15 to be found.

# Party I eader Offers Prescription Along With Diagnosis for their fighters and tanks. Fit thermore, the cost of new technology could pose a threat to the mongy could

sclerotic the economy had become. Hoodwinking superiors is a major part of the system, but the KGB had the eyes and ears to know what was going on.

Eastern European diplomats cite nother factor. After he returned in 1957 from his stint as ambassador to Hungary, Mr. Andropov, as chief of liaison with other parties, was a prvotal figure in the economic changes instituted under Janos Kadar in Hungary and, to a lesser extent, in East Germany, Hungarians in Moscow say Mr. Andropov argued for acquiescence in the market-oriented mechanisms Budapest introduced to get its economy moving. In his Central Committee speech, Mr. Andropov pointed to "the experience of fraternal countries" as a guide for

changes at home. The speech also suggested that tightening discipline will be a pri-

percent, a statistic that has contributed greatly to small overall growth of 2.8 percent, 40 percent under plan. In the fields and on the shop floor, the story is one of chronic absenteeism, idling, and drunkenness. And incentive payments have not helped, since no amount of rubles can buy goods the stores don't have.

For Moscow bureaucrats, the word was decentralization — "the need," Mr. Andropov said, "to ex-tend the independence of amalga-mations, enterprises and collective Production of consumer goods

would have to rise. Planning tar-gets must be realistic. Initiative and enterprise must be encouraged, new emphasis placed on the economical use of resources. New technology should be introduced boldly, with understanding for any consequent hiatus in quota fulfillment. Gosplan, the state planning committee, should leave quota-set-ting for "ordinary goods" to local bodies. The success of the West -"world experience," was his code

but this Conservative Party admin-

istration plainly will not provide it.

ning so much higher are these, ex-

• There are now 3 million peo-ple over the age of 75 in Britain, a figure that increases by 75,000 a

year. Their health care, it is reck-

oned, costs six or seven times more

than that of people of working age.

• Advances in science and tech-

nology are offering the prospect of

expensive treatments not available

previously, and under the British

system they will be given for free. Among the longest waiting lists,

for instance, are those for hip and

Health workers are demand.

ing wage increases that are preater

than the amount the government

has forecast in its budgets. With al-

most 1 million employees, the

health service is the largest em-

ployer in Western Europe and

For seven months, the system

about twice the size it was in 1948.

has been hit by regular strikes and

slowdowns by nonmedical staff,

ambulance drivers and some

nurses. This has lengthened delays

in treatment and means a pay set-

tlement that will have to be partly

met by money earmarked for other

Also blamed by some are the

high drug prices charged by multi-

national pharmaceutical compa-nies and the inefficiencies of what

critics say is a bloated health ser-

knee replacements.

The main reason costs are run-

put him in the best position of all ductivity. But the rise in output phrase — should receive due top Soviet officials to know how per worker this year will be barely weight. Personnel should be placed weight. Personnel should be placed "correctly" with a view to "organizing ability and a sense of the

> But Mr. Andropov also signaled that no one should expect a whirlwind. As if mindful of the ghost of Khrushchev, he emphasized the need for "caution" in decentralization. He offered few specifics for action, allowing himself room to backtrack. And on the most important issue of all, agriculture, he offered a restatement of Mr. Brezhnev's "Tood program." introduced in May. Western ex-perts dismissed it as tinkering when radical solutions are required. But economic decentralization can go only so far before Soviet political power is undermined.

Mr. Andropov seems to have won his job with strong support of the military, through Defense Min-ister Dmitri F. Ustinov. The generals, more than anyone, fume over chaos in the civilian economy. But they, above all, profit by the com-mand economy that assures them first call on steel and electronics

surroundings in state hospitals.

Threat to System Is Seen

In Growth of Private Care

CARDIFF, Wales - A few months ago, the British United

Provident Association, the country's largest private insurance company, opened a spiffy multimillion-dollar, 108-bed hospital

Its color-coordinated rooms, catered meals and the credit-card

"We believe we can offer the best of service," said the hospital's

applications on the front counter contrast sharply with the drab

director, Christopher Williams, 29, citing "higher nursing ratios, the best operating theaters, and quicker services which avoid pain

Many in Britain are worried about the fate of comprehensive,

free medical care, and the vision of more American-style hospitals

like that one, underwritten by a major increase in private insur-

ance, causes anguish among supporters of the national health sys-

They fear that Prime Minister Margaret Thatcher's Conserva

tive government might establish two standards of medicine again

in Britain - the best for those who can pay, what's left for the

The private health sector in Britain is still very small. Through-

out the country, there are now only 150 private hospitals, with no

more than 120 beds each, However, more than 4 million people

are already in private insurance programs, mainly provided by

Harold Cairns, who has been a general practitioner for 25 years

in the same working-class district where his father practiced,

"An increase in private care would greatly reduce the general level of treatment in the country," he said. "Not that care wouldn't be provided. It would be just that much harder to get for

Ninety percent of the health care in Britain is through neighbor-

hood general practitioners like Dr. Cairns. It is widely agreed that

they continue to offer easily available, free treatment, reflecting

"Everybody has a doctor they can go to and who will come to them if necessary," he said. "A man with cancer of the stomach or

appendicius will get an operation right away. It is the person with

It is to alleviate those delays in obtaining minor or elective

the improvements in medicine of the past three decades.

a hernia or varicose veins [who] will have to wait and wait."

When Mrs. Thatcher received treatment for varicose

and discomfort for the patients in many instances.

strongly opposes "privitization," as it is called.

for their fighters and tanks. Furthermore, the cost of new technology could pose a threat to the military's huge demands. Western intelligence estimates military expenditures at about 14 percent of the gross national product, twice the U.S. figure, even without counting the KGB's sizable share. Mr. Andropov could hardly be expected to begin by challenging the vital interests of his supporters in the armed forces and the KGB.

Then there is corruption. He has pledged to uproot bribery and fi-nancial skulduggery that run like a web through Soviet life. One of his first actions was the appointment as first deputy prime minister of an old KGB crony, Geidar A. Ali-yev, who had made his reputation fighting corruption in Azerbaid-zhan. Yet Mr. Andropov well knows how important the so-called second economy is to the people's well-being, not to mention full em-ployment. Some estimates put the proportion of the GNP that accumulates noievo, or "on the left" as Russians put it, at 40 percent. Even if some of these resources were channeled back into the state economy, the disruptions of a serious crackdown could be devas-



# Vatican Issues Regulations

United Press International

ROME — The Vatican has released a document giving the secretive and conservative Opus Dei organization a status equal to a religious order but also containing strict guidelines for the group.

The document released Saturday

major religious order. Opus Dei, which means Work of countries since it was founded in openly criticized the group's secre-

Its members, most of whom are

Critics have called the wealthy organization highly secretive, sectarian, totalitarian and even bizarre because of the hold they say

respect the legitimate authority of

its members.

Spokesmen for Opus Dei have

Canadian diplomats said they

trade or cultural exchanges with

tween the two countries is now es-

timated at less than \$100,000, with

dried fruit and olives.

everyone else '

not priests or nuns, are working professionals who take vows of chastity, poverty and obedience and will their possessions to Opus

The document said Opus Dei could not recruit candidates for the priesthood away from local seminaries and that it could not impose a choice of profession on

It specified that every new Opus Dei center must be approved by the local diocese and that the organization was subject to the rulings of local episcopal conferences.

# **Compromise Reached** For **UNESCO** Policy PARIS — A compromise plan for future UNESCO activities in communications has been worked out here after a drafting panel agreed to change or delete a number of passages that Western jour-nalists left would be prejudicial to The committee negotiated be-hind closed doors for eight hours

By Henry Tanner New York Times Service

Saturday to complete the draft.

Several references to a potential

threat of government interference

with the press were inserted into the text of the guidelines for a

"new world information order" at

the request of American and other Western delegates.

The Cuban delegation, at the re-quest of Amadou-Mahtar M'Bow

of Senegal, director-general of the United Nations Educational, Scientific and Cultural Organization, withdrew a proposal that would have made Western news organizations, the object of a special study.

tions the object of a special study by UNESCO that might have en-

couraged restrictive measures

against them.

A passage saying that the press has a watchdog function in scrutinizing the activities of authorities

was inserted into the text. Passages holding the press responsible for contributing to the "solution" of

such issues as disarmament and world peace were toned down after

Western delegates argued that they

could be used as justification for

curtailing the activities of corre-spondents on charges that they were not "responsible" or "con-

Western delegates were defeated

information media can affect

in their effort to delete a passage saying that, because messages sent

the future of mankind, the interna-

tional community has a right to be

concerned with the content of such

messages. They argued that this

was a invitation to censorship, but

a majority of the committee did

The new language of the docu-ment, which provides an outline for UNESCO activities in the field

of information and communica-

tions during the second half of the

decade, must be ratified in a full

meeting of the UNESCO confer-

ence here this week, and some pro-

posals need the personal endorse-

On Friday, before the drafting committee produced the final text, delegates from the West and the

Third World heatedly debated the role and responsibilities of the

Third World nations com-

plained that a handful of powerful

Western delegates welcomed the changes in the text, but they con-ceded that they had been defeated

ment of Mr. M'Bow.

on other important points.

structive" enough.

not agree.

# For Opus Dei

God in Latin, has expanded to 80 Spain in 1923 by Monsignor José Maria Escriva de Balaguer. It has many critics inside and outside the church. Several cardinals have cy and tactics.

the Opus Dei president, Monsig-nor Alvaro del Portillo, as prelate but it contained firm guidelines that said he and the group must

Alvaro del Portilio

by the Sacred Congregation for Bishops follows Pope John Paul Il's decision in August to make the 72,000-member mostly lay organization a "personal prelature," making it roughly equivalent to a

it has on young people.

The Vatican document named

local bishops.
It stressed that members must

join the group and take vows of their own free will.

#### operations that more people are turning to hospitals like the new one here built by the British United Provident Association. that the Western information media were using their power in the information and communications

Western news organizations have a virtual monopoly on the gathering and dissemination of information around the world. They charged fields to perpetuate the Western countries' economic and cultural dominance. They argued that it was UNESCO's responsibility to correct this imbalance. Western delegates and repre-

why?', since we recognize almost sentatives of private press organizations expressed fear that the UNESCO project and the lan-guage describing the role of the press would be used by undemoexpected little development in Albania if diplomatic relations were established. The trade becratic regimes to justify govern-ment control over the press, to institute censorship and to restrict the activities of foreign and domes-Albania receiving Canadian ma-chine parts and Canada importing tic journalists who are politically independent

The core of the Third World view was stated by Christopher A. Nascimento, former information minister of Guyana. The power to inform," Mr. Nascimento said, "is one of the keys to power as such."

The communications industry, the development of 'transnational' news agencies, the evolution of electronic information systems, the billions expended on pioneering the advancement of space and computer technology, all serve and continue to serve as a means of political, commercial, social and cultural dominance of the world by the developed nations," he de-

#### On World Information nomic power are intrinsically linked, Mr. Nascimento said, the nations that are seeking a "new information order" are the same

ones that are seeking a new world economic order. They are the na-tions that are poor, he said, and more of them are getting poorer. T.S. Kaul, a senior diplomat speaking for India, said 80 to 90 percent of the use of communications is controlled by the West while developing countries in Afri-

ca and other parts of the world still lack the telex and telephone equipment to contact their immediate neighboring countries and must have their calls routed through former "colonial capitals" in Europe. Western correspondents set themselves up as experts, Mr. Kaul said, but in India, for instance.

only one out of a hundred accredited foreign reporters speaks an Indian language. Correspondents must be "trained," he de-

#### Afghan Insurgents **Say Soviet Force** Razed a Village

United Press International ISLAMABAD. Pakistan large Soviet strike force backed by tanks and planes has razed an Af-ghan village to avenge the killing government troops, according to the Afghan rebels' news agency.
All 1,000 homes in Zawah, in

eastern Afghanistan near the Pakistani border, were burned by the assault force Nov. 19, Afghan Islamic Press said Saturday. It gave few details and no estimates of casualties. The agency quoted refugees fleeing into Pakistan. The report could not be inde-

pendently confirmed, but Western diplomats in Islamabad had indicated last week that a major operation appeared to be under way in

The agency said the attack was in retaliation for the killings of 70 members of a special force of the Soviet-backed Afghan regime's secret service by anti-government guerrillas a month before.

Rebel sources reported heavy fighting elsewhere in Ningarhar province, apparently in an area just southwest of the Tora Bora resistance base. Rebels had killed 70 and wounded 100 Soviet soldiers by Thursday and had destroyed 12 tanks or other vehicles, the agency

#### 4 Die in Italy Train Crash

United Press Intern SAN BENEDETTO DEL TRONTO. Italy - An express train traveling an estimated 72 mph (120 kph) ran off the tracks at this Adriatic resort Saturday, killing four passengers and injuring about 100, police reported. A Transportation Ministry spokesman said that a preliminary investigation indicated a signal light was faulty.

# When in London insist on A Riveting Theatrical Experience MERMAID

# ins is to be formed to be forme British Health Care on Critical List

anti-Americansa É

w unaware of the

Wals their prob

T the years to mile

description through

Lungs have been be-

wath, et succex 0€.

ं क ित्साह्य तमासूर्य

oran prev 7±€.

ೀರ್ಷ-ಮಾರ್ಗ್ನ

Strain Contracts

ு முறியின்.

्राप्तान प्रदार्थ ३ व्यक्तिकी

. The inglimet

har his count is 5

ing Wax Bur

10.27 (17.55

in the care

7 - 27:1

a track the facility

- (27) - Barrier M

are the Peil!

THE STREET

Reagan years b

भड़ाह्य prescoute

European pres & Washington Post Service

CARDIFF, Wales — Britain's system of free, comprehensive medical care, pride and symbol of this country's commitment to the welfare of its people, is going through its most troubled period since it was founded with high hopes 34 years ago.

oreign corresponde Soaring costs, an aging popula-tion, months of labor trouble and a on makers for his belief that Prime Minister Marga-and held together that Prime Minister Marga-ret Thatcher's government favors the second secon bave led to what is wreet, and the the principal interpublic's needs. health service's ability to meet the met arele reporter.

"It's sad," said Gordon Harrhy, a regional administrator here. "We have raised people's expectations ... and then we're not able to and the schieve the results they have been looking forward to."

Waiting lists of two years or more are increasingly common for with the late orthopedic, ear-nose-throat and gynecological surgery. There are reports throughout the with the country of cutbacks in hospital space, the closing of outpatient

interpretation dialysis, bone marrow transplants Secretary 4 324 or the insertion of pacemakers. have the air being postponed or canceled, and hospital maintenance is being

Nerraids adma: clinics and restrictions on ad-

in it a facili same vanced treatment such as kidney

MADRID — A public dispute between Prime Minister-elect

between Mr. Guerra's more radical

approach and the moderate stance

of Mr. González as final prepara-tions were made Sunday for

Socialist Workers' Party, who is credited with engineering the party's richory in the On 20

The ty's victory in the Oct. 28 elections,

to be deputy prime minister. Mr.

to take office this week.

Spain's new Socialist government

sealed back.

Felipe González and his top side.

Alfonso Guerra, suggested strains

Mr. Guerra, deputy leader of the

refuses to say whether he will agree

that many patients who go on waiting lists will never come off."

In a sense, health care problems in the industrialized countries of the West are a product of success. Demands on facilities have risen sharply, and medical science has developed spectacular new means of helping the sick — but at ex-

traordinary expense. As one of the leading welfare states, with perhaps the foremost nationalized health system and the deepest economic recession, Britain's plight is particularly difficult.

A recent confidential estimate

by senior local officials in Wales, which caused a furor when it was leaked, predicted "an unprecedent-ed squeeze in 1983-84." The report called for the "most vigorous and determined attack on costs and control of manpower." To outraged union leaders, that

meant fewer jobs and reduced medical care. In fact, despite restraining expenditures, the Thatcher government is spending more in real terms on health than any previous British government. The health service's share of overall social spending has inched upward annu-

Figures appounced recently for the next fiscal year maintain the pattern of increases at about 12 percent over inflation.

But just to stay even with Sement pack.

Sement pack

"In bluntest terms," said J. mounting requirements, in the mounting requirements, in the pack terms.

Keith Moger, director of the vast opinion of many health experts in H-year-old University Hospital, and out of government, a boost of

cilities are old, and replacing them means huge capital expenditures. Aide to González Ends As an official put it, "The fabric of

the hospitals, their physical presence, is deteriorating."

How all of this will translate in **Spanish Party Dispute** practical terms for Wales, based on expected spending well below the optimum, is "devastating," said Albert Huish, a longtime irol Spain's first leftist government since before the 1936-39 civil war. member of the community health authority for Cardiff.

The cabinet, to be sworn in after Mr. González unveils his program "We are going to have to examand wins his first confidence vote ine very much more carefully what in the Cortes, or parliament, on everybody does and how we spend Tuesday or Wednesday, is made our pounds and pence," said Mr. Moger, the hospital director. "That in itself is not catastrophic. But up of moderates. Political sources said Mr. Guerra was annoyed that some of his having said that, I think there is more radical nominations and progoing to be a considerable differposals had been ignored. ence as to service, both in standard The Socialists are taking power from progressive conservatives just

seven years after the death of the the respected Times Health Serrightist dictator Franco and the vices Supplement last month pub-lished an open letter to Prime Min-ister Thatcher that said: "We are restoration of democracy in Spain. Three members of the proposed cabinet, including Mr. González, began their political careers in not suggesting that you have delibset out to destroy the Naclandestine opposition to Franco. tional Health Service, nor that you who outlawed all leftist parties. want it to decline, but the reality is But the Socialist Workers' Party that current economic circumstances are threatening the service with destruction unless your govis not the same party that Franco banned at the end of the civil war. It has dropped its Marxist label ernment does something to rescue

and its policies are regarded as 21 Dead in Mexican Storm

> United Press International MANZANILLO, Mexico - At least 18 children and three adults were killed in mud slides or floods after heavy rain late Friday in Manzanillo, a port city southwestern Mexico, officials said Sunday. As many as 5,000 people were left homeless, one official

Canada, Albania May Establish Ties with China in 1978. While clinging question of why not do? than to a course of "national self-reti-

OTTAWA -- Canada is studying a proposal to establish diplomatic relations with Albania, a move reflecting Canadian desires for a foreign policy independent of the United States.

cently, she did so at a private clinic,

The proposed ties would be not be so provocative to Washington as Canada's recognition of Fidel Castro's government in Cuba nor. so teeming with possibilities as Ottawa's exchange of ambassadors with Beijing in 1971. and quantity, we can provide."

Summarizing the sense of alarm,

Word that talks on diplomatic relations with Albania were under way came earlier this month from the Ministry of External Affairs as Prime Minister Pierre Elliott Trudeau was visiting France and West Germany before flying to Moscow for the funeral of Leonid I. Bre-

In economic discussions in Paris and Bonn, Mr. Trudeau affirmed Canada's hope of drawing closer to Europe as a means of lessening its dependence on the United

The initiative for Canadian ties with Albania followed a speech last month by Enver Hoxha, the Albanian leader, who said he was interested in better relations with Western countries but not with the United States.

Mr. Hoxha, 72, has been in power since World War II. He broke with the Soviet Union in 1961 and

#### The Associated Press LISBON - Prime Minister Francisco Pinto Balsemão has warned Portugal that it faces a

tough package of reforms aimed at combating the country's deepening conomic recession.

ance." Mr. Hoxha made overtures

in the 1970s to Yugoslavia, Greece, Italy and other European coun-

cer who monitors Albanian affairs

said that while both countries were

interested in having diplomatic re-

lations, she did not think this indi-

cated any basic reorientations. For

Canada, she said, "It was more a

A Canadian foreign service offi-

Outlining the 1983 budget plan on national television late Friday, Mr. Balsemão listed new taxes on high incomes, air travel and imported consumer goods. He called for a voluntary 17 percent ceiling

Portugal Warned of Tough Reforms on wage increases, backed up by tax surcharges on companies that

> The Social Democratic leader said the state spending deficit would be held to \$1.6 billion, the same as in the two previous years. but that inflation would reduce real spending by more than 20 per-

> The financial plan of Mr. Balsemão's center-right coalition was presented to parliament Friday.

Published every Monday, this is a compilation of senior positions published in the INTERNATIONAL HERALD TRIBUNE and other selected publications. Comments concerning this feature can be addressed to Juanita Caspari in Paris.

1	POSITION	SALARY	EMPLOYER	LOCAT.	QUALIFICATIONS	CONTACT	Source
	INTERNATIONAL ATTORNEY	<u> </u>	Travenel Laboratories	Arusseis	Min. 5 yrs. cap. gained primarily with major law form (mil'l legal warthers); ability to work & commun. with sr. level magi.	Executive & Professional Staffing dept., Travenol Laboratories foc., One Baxter Parkway, Beerhold, SE. 68015.	Wall Street Journal 16-11-82
ıÌ	DIRECTEUR GENERAL		Société de fabrication de produits latters.	Mayer- Orient	Vientable prof. de l'ind. laitière (tout part. lait BET), min. 5 aus exp. en tant que Dir. Générat, Fr., Aug.	REL SA/2, Berek G. McCall, Kal Entreprises (B.K.) Ltd., 40 Epper Brook SL., London WTY 1PF.	Le Figare 17-1)-82
	DIRECTOR NEWS VENTURE		Osia manuf. at plastics & rot- les processing equip.	,	Good granading in white, engineering & financial analysis; exp. in plastics or robber processing ind.	Ray T. Elegard, Cusies: Corp., BM Greenwich, Ct. 86878 U.S.A.	LR.T. 18-11-82
	GENERAL MANAGER Middle East	Commensurate vicibi com	Lage decraided co.	Middle East	Tech. day, & he a Master of Bus. Admin.; min. 15 yrs. exp. with proven track record in managing a cn. & mity.	Bax 33,808, International Revald Tribume, 63 Long Acre, Loodon W52f 986.	LRLT. 18-11-82
	ENGINEER		Valleure: (leading French co. in the steel processing industry).	2 heers from Paris	Exp. in the sil field; Eng., Fr. +; any extensity.	Ref. 01.630, Mrs. Varene, Vallourec, 7 Place do Choncefier Adonater, 75116 Paris.	Fisialicial Traes 18-11-82
	Directeur de l'Informatique Europe		Bectus Dickinsus.	Granekia, France	form, sup; soin, 18 ses ern, éans les étitirents demalnes de l'informatique; aug., fr. +.	Rf. 945/078, V.W.H. Greenway, Frest & Whitmey Consoil. 158 Bd. Hanssmann, 75000 Paris.	Le Manda 23-11-82
	SALES DEVELOPMENT EXECUTIVE		Phills Meeris Europe.	Lansagene	Swiss or work permit, direct sales exp. in coss. goods of min. 4 yrs. with previous track resert of success, Eng., Fr. +.	C.E. Ortaelt, Personnel Bapt., Philip Morris Europe S.A. 4 Pizce Chanderon, CB 1086 Lausanna S.	<u>LH T.</u> 23-11-82
	GENERAL MANAGER	Commensurate with exp.	U.S Ferture 186 co. (Maintenance & Operations Division.)		Ma. 10-15 yrs. exp. as supervisor of major explorance & oper. activity, demonst. negt. & admin. abbities.	Box B 1959, International Herald Tribune, 92521 Medilly Cedex, France.	LHLT. 23-11-82
	Directeur de Coordination de Haut Niveau		SAE.	Hoyan- Great	legition del Brades Esses de B.T.P.; est direction travaux importants à l'etragges, fr., aug.	Hirl. Count, Stroice du Recrutement, S.A.E., 32 Ave. de New York, 75764 Paris Cedex 16.	1,81, 23-11-82
	New product development & micta, mar.	Commensurate with senority of position.	bil'i cs. (data-processing sprices).	Brussels	Ext. exp. int? hanking operations; grad. cal- iture (polytochesician, civil or con. expineer, MBA, etc.); 35-45; Eug. + Eur. or Span.	kerry Rubin. 185 Chaussiet de la Unige, 1178 Brussels.	LELT. 23-11-82

#### EDITOR Giscard Is Seeking The state of the s United Opposition

The state of the s -PARIS — Former President Valéry Giscard d'Estaing called Sinday on France's two main opposition groups to join in a center-right campaign against the Social-ist government in the March mu-

nicipal elections.
Mr. Giscard d'Estaing, increasnigly remrning to the political spotlight after his election defeat last year, told delegates of the affil-IL AND DRE iated parties in the Union for The state of the s French Democracy that new links should be forged with the neo-Gaullist Rally for the Republic, the party led by Jacques Chirac, the mayor of Paris.

The 2,000 delegates at the twoday national congress cheered when he called for renewed coopcration between the two groups that provided his parliamentary Support when he was in office. He Said that it was crucial that they have the same major objectives and to "conclude the best possible

electoral pact for victory." The elections, for council seats in France's larger towns and cities. will be a major test of support for President François Mitterrand's government. Parliamentary elechons are not due until 1986.

Mr. Chirac, who has recently been regarded as the main spokesman for the opposition, had lunch with Mr. Giscard d'Estaing at a surprise reconciliation meeting Wednesday. They had been at odds since Mr. Chirac resigned in 1976 after two years as Mr. Gis-- card d'Estaing's prime minister.

#### Goozález has said that be wants Guerra has indicated that he would rather remain exclusively involved in running the party. The 17-member cabinet proposed by Mr. González will con-

The proposed cabinet has been welcomed in almost all sectors. For 1983 Election There were no immediate denunci-ations from the rightist Popular Alliance, which will be the main opposition party.
The alliance, led by Manuel Fraga, a former information minister under Franco, controls 106 seats in

mocracy.

parties have worked together during the transition. The outgoing government of the Union of the Democratic Center, which has only a handful of former ministers in the new lower house, has also cooperated with the Soci-

the 350-seat lower house, against 202 held by the Socialists. The two

being close to those of social de-

Mr. González is expected to spell out the broad aims of his administration Tuesday. Official sources said he would reaffirm campaign pledges to reduce unem-ployment from two million to 800,000 during his four-year term. They said he would also seek to cut inflation from about 14 percent to 8 percent

He is further expected to announce an immediate freeze on Spain's integration into the military wing of the North Atlantic Treaty Organization. There are nine economists among the proposed ministers.

The average age of the cabinet members is 40. Mr. González's Mr. González's nominee for foreign minister, Fernando Moran, a career diplomat, is one of only five members of the proposed cabinet to have held high office. Another is the nominee for economy and finance minister, Miguel Boyer.

PARIS JES 2 MEHIDEURES SOIRÉES DE PARIS NOUVELLE REVUE FRENESIE COCORICO!

20 h 30 Diner dansant champagne et revue 335 F 335 F

**WORLDWIDE ENTERTAINMENT** 

22 h 30 Revue et

0h30 champagne 230 F PRIX NETS/SERVICE COMPRIS NORMANDIE ' 116 bis av. des Champs-Élysées 563 11 61 et agences

20 h 00 Diner dansant champagne et revue 22 h 00 Revue et 0 h 00 champagne 230 F

MONTMARTRE

Place Blanche

606 (til 19 et agences



A joey, or baby kangaroo, with its mother.

# Australians Seek New Ban On U.S. Kangaroo Imports

By Pamela G. Hollie New York Times Service

MELBOURNE - Australian conservationists say that U.S. imports of kangaroo products are endangering the country's bestknown animal. They are preparing a campaign to persuade the United States to restore a ban on importing the products, principally hides used for high-quality shoes and other items.

"The truth is that we probably won't do anything to save the

kangaroo until America does," said James Cairns, a former minister for trade and environment.

An Australian documentary film focusing on the killing of kan-garoos has given added impetus to the conservationists' cause. The documentary, "Goodbye Joey," has also reignited a fend between conservationists, the Australian government and the fledgling kangaroo products industry.

Zoology Professor Peter Rowlinson of La Trobe University in

Melbourne estimated that, since the United States lifted its ban two years ago, the number of kangaroos killed has reached six million a year, or twice the number for which the Australian government issues licenses.

"The American ban kept the lid on." Mr. Rowlinson said. He said it was "important that the United States reinstate the ban if we are going to save the kangaroo."

The ban was imposed in 1974, when kangaroos were listed as

endangered as a result of demand for their hides, with the United States being the world's leading importer.

But in 1980, the U.S. Interior Department's Fish and Wildlife

Service announced that the ban was being lifted on the ground that kangaroos were more numerous than previously believed. At the time, the kangaroo population of Australia was put at 32

Demands for a new U.S. ban that might inspire other countries to follow suit have resulted in a preliminary statement from the U.S. Embassy in Canberra that such action is usually taken when an animal is endangered. The kangaroo is not, the embassy said; Australia has 35 million of them.

The new documentary features a kangaroo hunt in gory detail and shows eight hunters sitting around a campfire talking about how the freshness of the meat is improved if the animal is not dispatched too quickly. "While those Yanks keep eating it," one hunter says, "we'll keep shooting it."

The film has proved so damaging to the reputation of the kan-garoo marketers that the industry has asked that it not be shown outside Australia

"I am very concerned that if this film is shown oversees where they do buy kangaroo products - Scandinavia, the United States and Japan — we will be held up as barbarians," said Russell Findley, executive director of the Kangaroo Information Service, a management and marketing group. "We're not," he added.

The kangaroo industry cannot afford more scandals. Several

small companies have been involved in meat-substitution frauds, and the industry is just now recovering from an outcry in the United States, where kangaroo meat was sold as beef a year ago.

Only this year has the industry begun to develop some promis-ing new markets. Vic Bates, director of Southern Game Meats Ltd. in Sydney, predicted a Japanese demand of 300 metric tons

Conservationists, including the Fund for Animals, the Kangaroo Protection Cooperative, the Wildlife Protection Association and Greenpeace, contend that the kangaroo should not be killed

The government, which instituted a kangaroo management program two years ago at the suggestion of the United States, maintains that the kangaroo population must be controlled to allow room for other grazing animals.

# Ancient Romans Sailed To Brazil, Scientist Says

Vessel From the 2d Century B.C. Is Purportedly Buried in Rio Bay

By Kenneth Freed Los Angeles Times Service
RIO DE JANEIRO — Christo-

pher Columbus's already battered claim as the discoverer of the New World could soon be lost altogether to an unknown Roman sailor whose poor navigational skills may have sent him crashing into the rocks of Rio de Janeiro's Guanabara Bay in the 2d century B.C.

Robert F. Marx, a U.S. archaeologist and antiquity hunter, says he believes he is on the verge of uncovering the wreckage of a Roman ship from the 2d century B.C. that is buried under yards of mud, sand and dead coral about one mile (1.6 kilometers) from the city's international airport.

if Mr. Marx's hopes and asser-tions become reality, the Roman vessel will be the first clear proof of what many historians and other scholars have long suspected — that Europeans sailed to the West-ern Hemisphere long before Co-lumbus's voyage in 1492.

So far, the proof is circu tial, resting largely on Mr. Marx's reputation and the recovery from the bay of numerous amphoras, large ceramic jugs, that have been verified as Roman-made and dating back to about 200 B.C.

Despite some doubters, Mr. Marx, 45, a former Los Angeles resident with solid archaeological credentials, says he is certain that he can provide irrefutable proof soon, perhaps within weeks.

After months of delay that he attributes to the Brazilian bureaucracy, Mr. Marx said he has been promised a permit to begin diving to the bottom of the 50-foot (15.1meter) bay where the ship's wreckage is thought to be.

using sonar equipment, vacuum machines, metal detectors and probes, "I know that I'll find the remains of the ship," he said. "I'll keep doing this until I find it. I'm satisfied that I am right."

Mr. Marx said he has already made 11 unauthorized dives into the bay, which is so polluted that underwater visibility is almost nil. "It's like working in braille," he said.

He has brought up fairly large amphora fragments from the site, which he described as "larger than three tennis courts." The frag-ments, some of which he pulled from under nearly three feet of from under nearly three feet of coral and muck, augment the re-covery of two intact jugs six years ago when the site was discovered.

The saga began when José Texeira, a local scuba diver, pulled up the two barnacle-encrusted amphoras after hearing that fishermen had snagged some jugs in

Tests conducted for the Brazilian authorities by the Smithsonian Institution in Washington dated the amphoras to a general period within a few centuries either way of the birth of Christ.

Further examination of the vessels and comparison by Mr. Marx and other experts against previousorigin in the 2d century B.C. and suggested that they were made in Roman-occupied Carthage — near modern Tunis - on the North Af-

Initially, Mr. Marx doubted that the jugs signified much, noting that many ancient objects found in the Americas were brought over in later periods. Others were wrongly labeled as ancient or were the re-

sult of hoaxes.
And, he said, "so-called Brazilian authorities assured me that there was nothing to it, that I should forget the whole thing." In fact, some Brazilian archaeologists and government officials

still dispute the theory that the amphoras were brought to the area before the period of Columbus's

Mr. Marx contends that their reluctance is based on bureaucratic lassitude and embarrassment over their inability to excavate the site. He also accuses the Brazilians of a misplaced pride in the "discovery" of the country by a Portuguese navigator, Pedro Alvares Cabral, in 1500.

The archaeologist likens the atti-tude to that of Italian-Americans who resist evidence that Vikings and other Europeans appeared in North America hundreds of years before Columbus, an Italian who explored under the flag of Spain.

duction and the process of elimination, he has discounted the likelihood that the containers were brought over in Portuguese coloni-He further rules out the possibil-

Mr. Marx said that through de-

ity that they were shipped to Brazil as collectors' items or as gifts for Brazilian rulers. Also, there are no records in local archives of a ship sinking in the area that would ex-plain the relics.

#### FDP Rebels Form **New Liberal Party** In West Germany

BOCHUM, West Germany — More than 1,500 liberal rebels formed a new breakaway left-liberal party Sunday in protest of an alliance between Free Democratic Party leader Hans-Dietrich Genscher and the conservative chancellor, Helmut Kohl. .

The move, agreed to by an overwhelming majority of former Free Democratic Party members at a meeting in Bochum, comes as probably the biggest blow suffered so far by the depleted and strifetom FDP

Five senior liberal politicians and about 6,000 of the Free Democrats' 86,000 members have quit the party since it abandoned for-mer Social Democratic Party Chancellor Helmut Schmidt last month.

But two parliamentary deputies, Helga Schuchardt and Friedrich Hoelscher, who left the Free Democrats last week, said they would not take part in the formation of

Altogether, 50 congress partici-pants said they would not, or at least not yet, join the new party, were still being debated.

#### Police, Protesters Clash At French Nuclear Site

VIREUX, France - Police used tear gas to disperse anti-nuclear power demonstrators here Saturday who had been joined by steelworkers protesting the planned closure of their plant. No one was reported seriously injured. Over the last two years there

have been violent clashes between police and demonstrators who object to the government's decision to locate a nuclear power station at Chooz, near Vireux, in the Ardennes region of northeast France. Environmentalists and steelworkers have recently joined in a confrontation with authorities on the

#### tometional Rand Driege Week of Nov 25

	Bond Prices – Week of N	
Provided by White Weld Securities,	London, Tel.: 623 1277; a Division of Financiere Cr	dit Suisse - First Boston
RECENT ISSUES	Amt Sacurity % Med Price Red Life Con Amt Security	Middle Ave Ave Mat Price Mar Life Co
Acts Security Str/ Conv Issue Pr. Mid Pr. Yield. sm 100 United Technologies 9 766 9514 7.86 7.5/2 % 1007 Dec.	CIS 50 Prov Of Guebec 10 1/4 Te Aur v 51./2 12.46 153.6 575 Ascribite 515 Prov Of Guebec 12.44 16.141 bits 1/7 17.31 13.87 14.51 13.87 14.51 13.87 14.51 13.87 14.51 13.87 14.51 14.	9 1/4 16 Mor 99 1/2 13/2 16/2 16/2 16/2 16/2 16/2 16/2 16/2 16
5.00 Gulf OS Finance 2 79 1/2 1524 1007 6/1/4 1 1944 Duc 4 1007 1nd 5 100 95 1/2 7,99 6/1/1 1007 Duc 5 100 95 1/2 7,99		MA 71/2 2 Apr 23 1/2 MM 19.14 1
Om 150 Bover Capital Go 5 190 99 1/2 7.71 7.57 % 1987 Nov 6m 150 Aging Developm Bonk 3 99 97 8.70 81/4 % 1997 Nov 81.97 # Apostholine 3 100 94 1/4 12.76	130	Line 9144 10 Apr 9834 1944 1945 0
\$150 Elf Apatholog	\$190 Prov Of Guebec 15 1/4 TO Dec 15 1/2 13.55 14.77 T No. 15 19 Prov Of Guebec 15 1/4 TO Dec 15 1/2 13.55 12.75 13.61 Prov Of Guebec 17 TO Prov Of Guebec 1	9 1/2 45 AM 10 1/2 1233 1/.W 2
11 1/4 ± 1990 Dec 5150 Middlend Intl Fin z 180 10 1/2 11.25 11 1/2 5 1992 Dec	117 Presid Tourism   M. 14 14 Markey 1851/7 1191 1327 (139 500 Develop Circ)	
\$75 Besti Flagmence Europee 9 100 991/4 11.65 111.45 1987 Nov den 200 Eart Europe Economic Coco 8 99 97 3/4 8.30 8 1894 Nov 5 150 Lighton BS Switzbar found 10 746 10 100 10.74 15 246 % 1987 Nov 5 150 Lighton BS Switzbar found 5 100 100 10.74	11/2   POWE PERSON LINE   11/4   15-Jun   19   19   19   19   19   19   19   1	mm 111/4 1710v 991/4 1Les. 11.
ded 125 Council Of Europe 5 99 1/2 99 1/4 8.24	\$150 Saskatchewan Prov 15 TZ Ang 1781/4 T3.10 T3.61 \$165 Book Overheld in	re 10,142,162,1620,1621,1221,1232,1621,1621,1621,1621,1621
\$ 100 Operinches Bonts Fin s 100 160 1/4 11:55 1100 Operinches Bonts Fin s 100 160 1/4 11:55 (ten 160 Gussel Keens Heldrichteld s 168 97 1/2 8.56 8.72 % 1987 Mev	2   2   2   2   2   2   2   2   2   2	AND 131/4 39 ONT BM 12.29 22
1122 Province Of Managoo 3 Mer 101 1329 1124 S 1989 Nov 5 100 III Acrillos 5 972/8 973/4 11.89	20   20   20   20   20   20   20   20	n 14 1/4 19 Aug 108 12 12 11 11 11
11.7/2 % 1997 Nov 570 100 101 1/4 11.45 11.45 11.46 11.47 Nov 570 Union Control Overseus 5 100 101 1/4 11.45 11.3/4 % 1997 May	\$20 Jacobs Dockwood Book 15 Ar Vol. 1811 1724 1924 195 Consequences and part 19	
5.47 Vienna CRV 5 195 9,1/2 12.55 12 14 % 1972 Oct 5 195 195 195 12.74 27.74 % 1972 Nov 5 195 195 195 195 195 195 195 195 195 1	CREST Union Corroles Conodo 16 17 Jan 117 1332 1441 520 Public Fewer Cor	a. 21/4 34 Dec 27 1/2 14/37 14/37 14/37
110 1 134 % 1972 New 5 100 95 1/4 11.29 110 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	SO DAM	8 WAS 10 HJ 129 to 12 When he 129 12 814 WING 19 11.11 120. 12 834 WAS 20 11.11 120. 1
Om 200 Australia 5 km mi /Ar 2 5/4 % 1492 May		15 1/2 17 Mary 167 1/2 13/29 vie recens 5 14 16/14 17. 27.5 14.5? 19 pw/hy 2 16/14 11/2 444 E44 2 a 26-Dec 96 11.6 13/20 5 7 1/2 16/36 96 15.5 E46 5
575 Jerni Homopoch 8 99 1/2 194 11.15 2 5199 New 6 97 3/4 8.30* 5190 Electricits De France 5 100 107 1/2 12.30 1234 % 1997 Oct		71/2 12 June 40 10 10 12 12 12 12 12 12 12 12 12 12 12 12 12
5 100 Commerciationis File a 100 108 1/4 13.86 13 1/6 % 1985 Oct	\$15 Copenhauer City 6 15 Nov 91 9,67 11,32 6,59 \$16 Iceland \$25 Copenhauer City 61/2 17 Apr 91 9,67 10,78 7,14 \$15 Iceland	91/4 10 Feb 99 13.45 13.42 93 83/4 16 Jun 86 14.45 19.25 18.1 9 17 Feb 87 1/3 12.50 14.0 19.3 9 17 14 15 14.0 19.3
STRAIGHT BONDS	CTE Consideration Telephone Chief the last to the 1977 4 14   3/2   Calculation Chief the last the las	TTUTIONS. Sonit 8.12 Th Aura 92 1/2 11,16 9. Sonit 5.1/4 TH Sep 91 1/4 7,45 A. Sonit 5.1/6 TO Dec 1173/4 12,97 Ac 1 BK 7.2/4 26.4m 56.1/4 12,97 LU
All Currencies Except DM	2   20   20   20   20   20   20   20	# 16 1/4 76 Apr . 10 3/4 13/7
— Yield — Middle Ave Aust Security % Mat Price Mat Life Curr	\$25 Denmork Mertanos Rk 21/0 W ton 21 12 to 1679 1827   \$252 22 22 22 22	. 43/4 74 ha
530 Australia 5 "13 Apr 9724 11.71 11.74 5.15 559 Australia 81/4 13.0ct 971/2 11.42 5.86 5120 Australia 81/4 13.0ct 971/2 11.42 6.44 5100 Australia 71/2 16.56 91/4 13.64 752	EUROPEAN INSTITUTIONS 520 World Sonk	16 1/2 76 Sep 114 1/2 11,71 14,6 14 1/4 75 Mey 107 1/2 12,20 12,2 7 1/4 75 Jun 76 1/2 14,6 14,5 14,5 16 14 75 Jun 77 11 18 16,1
5125 Austrolio 61/4 % Occ 96 1/2 10.21 8.55 225 Austrolio 51/2 15 May 82 11.23 13.14 4.55 525 Austrolio 53/4 15 May 93 11.25 13.97 6.41 5.53 Austrolio 53/4 16 May 93 11.25 13.97 6.41 5.53 Austrolio 61/2 16 Oct 95 10.04 5.55 6.55 6.55 6.55 6.55 6.55 6.55 6.5	Cris-30 Eco Euro-Cool & Steel 9 2/4 to Jon 7/4 49.41 13.16 530 World Book 5.59 Eco Euro-Cool & Steel 9 2/4 to Jon 7/4 49.41 13.16 525 World Book 57525 Eco Suno Cool & Steel 9 7/4 49.41 14.90 5.75 525 World Book 57525 Eco Suno Cool & Steel 9 7/4 49.41 14.90 5.75	15 27 Aug 110 1/2 11/00 11/4 11/4 11/4 11/4 11/4 11/4 11/
540 Austrolio 83/4 97.00 97.1/2 936 18.42 9.56 5150 Austrolio 81/4 92.50 87.2/4 18.4 12.0 12.0 575 Austrolio 91/6 96 10.00 11.42 12.0 525 Austrolio 11.42 19.30 91/6 11.42 11.45 11.20	5 20 Ees Euro Cool & Steed 1 51/4 Se New 91 10.41 12.11 5.77 5.00 World Bank. 5.75 Ees Euro Cool & Steed 1 1/4 Se New 92 11/2 11.97 5.00 World Bank. 5.60 Ees Euro Cool & Steed 1 91/4 56 Jon 95 16.27 18.54 5.44 5.20 World Bank. 71/250 Ees Euro Cool & Steed 1 61/4 26 Apr 98 15.00 1625 1634 1634 17.00	15 We Away 110 344 1231 125 16 1/2 We See 117 1/4 1227 124 8 1/4 TX May 27 1/2 11,80 11,54 424
\$ 50 Alcoo Austrolio List 12 19 Jan 90 1434 13,25 \$ 50 Alcoo Austrolio List 16 19 Jan 105 14,75 15,36 \$ 60 Alcoo Austrolio List 10 29 Jun 26 17,7 14,86 12,17 \$ 50 Alcoo Austrolio List 10 29 Jun 92 17,7 14,86 12,17 \$ 50 Alcoo Austrolio List 10 17,7 17 Apr 14 17,7 14,00 14,27 \$ 40 Austrolion Markey 91,47 17, bp. 27 14,27 14,27 12,35 \$ 40 Austrolion Markey 91,47 17, bp. 27 14,27 14,27 12,35	\$25 Ecs Euro.Cod & Steel 6 1/2 % Dec 84 1/2 11.41 16.11 7.40 17.51 17.41 17.52 17.41 17.52 17.41 17.52	11/4 W Feb 14 11.94 1425 144 73/4 18/Apr 66 13.12 17/47 47 43/4 18/Oct 14 11/10 14/27 47
538 Australian Res Dev Bit 91/2 12 Mer 91/4 124 1225 155 530 Australian Res Dev Bit 17 12 Nov 91/2 1255 1256 530 Australian Res Dev Bit 95/4 14 Aug 96 12:10 18:00 530 Australian Res Dev Bit 13 16 Mer 101/2 12:41	5.731 Ecs Euro-Cool A Steel 112 / 75 Mary 100 11.6 11.27 / 77 5.75 Coasto Menzonoleon 5.100 Ecs Euro-Cool à Steel 112 / 75 Mary 100 11.6 11.20 12.30 5.50 Constitution 172 / 75 Mary 100 11.6 11.20 12.30 5.50 Constitution 172 / 75 Mary 100 172 / 75 / 75 / 75 / 75 / 75 / 75 / 75 /	
\$ 100 Austrollion Res Davi Sk. 12 1/2 19 Apr. 101 2/4 12,95 19 2/5 535 Austroswiss 8 17 Jul 85 12,27 15,19 19,5 15 25 Boutolinville Cooper 8,1/4 14 Moy 92 15,18 15,45 9,51 8,50 Bridger Hill Press Co. 8 19 Apr. 108 17 68 4,58 1,58 1,58 1,58 1,58 1,58 1,58 1,58 1	Hr 500 Ecs Euro Cool & Steel 10 90 Morr 97 1/2 19.46 19.57 19.25 1 5 5 5 E.M.L. 5 150 Ecs Euro Cool & Steel 9 1/4 91 Jul 80 11.48 11.87 12.51   520 E.M.L. 5 25 Ecs Euro Cool & Steel 9 10 Apr 97 10.10 14/20 14/4   15/5 Ecs Euro Cool & Steel 9 10 Apr 97 10.10 14/20 14/4   15/5 Ecs Euro Cool & Steel 9 10 Apr 97 10.10 14/20 14/4   15/5 Ecs Euro Cool & Steel 9 10 Apr 97 10.10 14/20 14/4   15/5 Ecs Euro Cool & Steel 9 10 Apr 97 10.10 14/20 14/4   15/5 Ecs Euro Cool & Steel 9 10 Apr 97 10.10 14/20 14/4   15/5 Ecs Euro Cool & Steel 9 10 Apr 97 10.10 14/20 14/4   15/5 Ecs Euro Cool & Steel 9 10 Apr 97 14/20 14/20 14/20 14/20 14/20	7 '85 Jun 70 15.77 18.11 10.8 63.44 '86 Non 95 7.86 8.87 7.11 63.44 '86 Non 95 7.81 6.57 7.11 to 63.44 '86 Feb 94 11.60 13.46 9.3
5 150 SP(50m HSI Proof Co 12.3/4 F2 May 15 13.56 14.55 1529 Seroken HSI Proof Co 10 10 May 15 13.57 14.79 12.20 15.00 Contacto law Europe 10 1/4 19 Jul 82 13.99 15.02 12.50 1	\$ 100 Ecs Euro Cod & Steel 9 1/4 Warr 20 11:51 72/2 1884 520 Figurer tent \$ 100 Ecs Euro Cod & Steel 83/4 97 Oct 8 1/2 10.77 13/3 10.50 515 Olivetti Inth So \$ 25 Eur Euro Cod & Steel 9 1/4 Warr 77 12/3 13.51 72.01 515 Olivetti Inth So.	7 3 AV To Jun 97 1270 1447 165 9 3 AV To Jun 95 1279 1447 165 9 1 AV To Jun 95 12 1240 1540 1540 154 9 1 AV To Jun 96 1245 1240 154 7 3 AV To Aven 96 94 154 164
575 C5 RLM 16 19-Jul 1671/2 14/21 14/85 5-40 Homersley Holdings 51/2 19-Jun 751/2 11/11 13/7 5-91 5-95 5-95 Homersley Holdings 97/2 92-Jun 77 11/81 14/81 12/81 5-20 Homersley Holdings 97/2 92-Jun 77 11/81 14/81 12/81 5-20 Homersley Holdings 97/2 95-80 97/11/81 14/81 18/81	Side PT Francisco Control State Pt Ann. State St	7 71 May 75 1/2 14.04 17.95 14.7 10000 75.45 74 May 13 1/2 12.73
520 Hondersker from File 9 76 May 89 1106 1522 10.11* 525 Hondersker from File 8 27 May 82 17 12.07 1565 9.70 534 K.Mort Finence Ltd 9 76 Oct 97 11.08 12.26 9.89 522 K.Mort Finence Ltd 9 744 Tabe 94 11.87 11.57 82.2 523 Magnet Itse Finence 8.344 76 New 97 12.28 12.72 9.82	y m N Eth Euron Invest Bonts . 7 1/4 NA Mary 180 1/2 . 487 2.21 3.29 106101 Unio Dell' Unio 2016 1. 12 2.21 3.29 106101 Unio Dell' Unio 2016 1. 12 2.21 3.21 106101 Unio 2016 1. 12 2.21 10610 1. 12 2.21 10610 1. 12 2.21 10610 1. 12 2.21 10610 1. 12 2.21 10610 1. 12 2.21 10610 1. 12	81/2 13 Mor 99 12/4 89 73/4 14 Feb 94 1/2 12/4 14/4 12 81/2 14 Dec 90 13/9 94
525 Popos New Guinea 91/2 12 Mey 99 12,99 13,00 9,00 530 Quebrishand Abernina 81/2 16 Mey 99 12,11 15,18 9,40 525 Quebrishand Abernina 81/2 16 Mey 99 12,11 15,18 9,17 520 Tet Overses Finance 9 17 Aug 25 1404 15,59 10,64	529	11 77 NOV 96 1/2 11.20 11.21 11.21 15 1/2 17 Feb 112 1/2 11.64 · 13.74 16 12 1/4 19 Oct 101 1/4 11.55 11.64
\$50 Western Mining Corp 15 1/2 18 Dac 106 13.99 14.02   \$50 Western Mining Corp 9 1/2 Oct 77 1/2 13.12 13.40 11.61   AUSTRIA 4 Jon 72 12.54 17.56 445   \$150 Austria 15 1/2 18 Mar 109 1/4 13.01 14.19	\$ 15 Eth Europ. Invest Book 6 1/2 16 Aug 89 16 15 1241 2.01 2.0 Mittal Engineering 555 Eth Europ. Invest Book 8 124 17 Aug 19 1/4 16.51 8.54 525 Mittal Petroplements 525 Eth Europ. Invest Book 6 1/2 16 Jun 89 9.55 11.68 2.00 825 Mot Mittal Petroplements 525 Eth Europ. Invest Book 6 1/2 16 Jun 89 9.55 11.68 2.00 825 Mot Mittal Call	Co 9 99 Apr 89 12.03 11.24 1. 8.24 92 Sep 96 11.54 4.5 col 8 74 Apr 96 11.28 12.96 8.2 7.3/4 74 Apr 92 73.00 8.2
\$50 Augrific 82/4 19 Aug 87 1/2 11.21 11.45 10.09 \$50 Augrific 85/6 172.10 89 11.69 12.29 18.12 \$12 Alphre-Monton 52/4 85 Jun 87 11.95 11.95 6.61 \$193 Augrifien Control Elk 10 15 Jul 97 11.94 18.31	71/4 27/203 76 14.01 77.37 9.34 \$150 Hippon Tel/fel \$150 Ebb Europ. Invest. Bonk 7 1/4 27/205 25 11.30 12.31 8.51 Nippon Tel/fel \$750 Ebb Europ. Invest. Bonk 7 1/4 20/205 25 11.30 12.52 8.54 \$50 Order Leading	15 1/4 '97 Aug 100 13.00 1410 7-3/4 '84 Jun 15 1/2 10.07 0.17 8 1/8 '97 Mar '98 1/2 10.07 0.58 8 1/4 '93 Dec '94 12.41 14.19 0.59 8 1/4 '94 Dec '92 12.48 17.12 0.07
# 400 Austrian Control Bit 14 Ta Feb 963/4 18.33 14.42 15.55 Austrian Control Bit 161/4 Ta Feb 963/4 18.33 14.27 15.55 Austrian Electricity 65/6 Ta Jul 97 7.59 8.20 4.83 15.75 Creditant Bankown 15.1/2 19.0 1871/2 13.88 14.42 15.50 Girganouris Spontossen 15.1/4 19.5ep 1071/2 13.52 14.19	125   Elib Evrose invest Bank   17,17   186 pr   19,17   11,70   11,95   10,55   10,55   11,70   11,70   11,70   12,70   11,	7 1/2 76 July 100 1/2 1443 1844 15 1/2 70 July 100 1/2 1552 1/2
S30 Touernoutobohn Ag 81/4 '67 Mor 92 10.41 11.30 1.57 S30 Trous Austrifu Gestine 71/2 '82.0m 92 9.50 10.55 8.15 S47 Vienno City 12.1/4 '92 Oct 16 1/2 12.85 12.69 BELGRUM	#200 Elb Euros Invest Bank # 21/4 'BBOct 29 1/4 1520 1230 525 Y.S. Lios (Coysson 530 Elb Euros Invest Bank 8 1/7 'BB Dec 10 1/7 11.47 9 7/7 LUX BABOURG 5150 Elb Euros (revet Bank 15 1/7 '89 May 160 1/4 152 1233 1422 536 50c Fib Euros (revet Bank 15 1/7 '89 May 160 1/4 152 1233 1422 536 50c Fib Euros (revet Bank 15 1/7 '89 May 160 1/4 152 1233 1422 536 50c Fib Euros (revet Bank 15 1/7 '89 May 160 1/4 152 1233 1422 536 50c Fib Euros (revet Bank 15 1/7 '80 May 160 1/4 1/4 1/4 1/4 1/4 1/4 1/4 1/4 1/4 1/4	7 2/4 14 Oct   94   11.57 13.68 454 7 2/4 14 Mor   94   12.58 14.62 8.2 9   10 Feb   99 1/2 12.51   9.05
5.75 Median B.V. w/w 41/2 B.Jul 70 12.91 17.0 4.01 17.25 Solvey 93.4 97.Apr 77.1/4 16.58 12.20 12.90 Candida Candida (1.1/4 12.1	5 75 Eth Europa Invest Bonk 9 3/4 76 New 927 1276 1157 5130 Massico 5 29 Eth Europa Invest Bonk 9 3/4 76 New 22 1076 127 584 5775 Massico 5 100 Eth Europa Invest Bonk 12 3/4 76 Morr 105 3/4 1546 1276 5 6.0 Massico 5 100 Eth Europa Invest Bonk 12 3/4 76 Morr 105 3/4 1546 1276 5 6.0 Massico	171/2 15 Mer 19 71.55 18.6 181/2 15 Jul 19 21.05 19.0 81/2 17 Mer 71 18.58 25.34 19.0 83/4 19.0 boc . 80 - 17.80 20.39 14.55
59 Shankium Como Crowbin #1/9 18 Apr 95 1995 (4.49 11.19 )	\$ 100 Elb grop invest Bank 9.56 91 Feb 82 1/2 11.17 11.67 539 Comison Ped.Sect. 530 Elb glores invest Bank 9.34 91 Mer 8 12/2 11.07 13 537 Comison Ped.Sect. 535 Elb garnes invest Bank 9.34 91 Mer 18 12/2 11.40 11.44 5.57 Persex 5 100 Elb glores invest Bank 13.34 91 New 153.34 11.44 5.57 Persex 5 100 Elb glores invest Bank 13.34 91 New 153.34 11.44 13.57 Persex 5 100 Elb glores investigation of the section of	r. 8 17 Feb 75 14-50 22 M 10-61
CBS 25 Avelor Findincies 18 1/4 36 May 51 16.92 12.25 10.51 0 Barch Of Berl Cohumbig 19 1/4 38 May 16 12.34 12.35 12.45 13.45 13 100 Barch Of Mentreel 14 1/4 36 May 16 1/4 12.15 12.15 13.45 13 100 Barch Of Mentreel 14 1/2 37 May 16 1/4 13.21 12.91 1	\$51 Eth Europi Invest Bonik   \$3/4 *92 Apr   87   11,81   10,05   \$125   Pagnat   \$160   Eth Europi Invest Bonik   \$15 / 12   \$10 / 12   \$13.5   \$1,05   \$59   Teletropi De Mazic   \$100   Eth Europi Invest Bonik   \$3/4 *92 Dec   89   \$1,65   \$1,05	20 91/4194/AUG 81 23/26 11/43
\$130 Bonk Of Manningd 1 41 f4 19 Dec 111 1/2 13.96 14.57 1235 Bonk Of Nevro Scotta 15 1/2 16.1 bin 100 14.39 15.05 cm 50 Benjirtron'f Recity Co 12 3/4 28 Sep 98 11.25 13.01 54.0 Bert Conado 2/4 48 Jul 192 11.39 1.31 54.0 Bert Conado 10 3/4 48 Jul 192 11.39 1.31 13.71 13.66 Belt Conado 10 3/4 48 Jul 192 11.39 1.37 1.370 1.3	575 Eto Europ Invest Bank 87/2 % Dec 81 1/2 11.57 1255 18.59 520 Ind Micring Dev Box 61/2 11.57 1255 18.59 529 Singapore 91/4 97 May 81/4 14.99 11.77 529 Singapore 81/2 30 Sep 991/2 1917 1018 84.5 25 Transcripting Fran	th 91/4 23 Feb 97 25.8 25.57 9.54 7 3/4 27 Nov 82 12.78 16.47 9.45 6 4 3/4 10 Apr 98/1/4 9.47 9.46 6.64
\$ 100 Bell Canado 7.2/e 10 May 90 10.52 E.61 2 10.50 10 10 1.143 1.45 1.45 1.50 1.00 1.44 1.45 1.50 1.00 1.44 1.145 1.45 1.50 1.00 1.44 1.145 1.45 1.45 1.45 1.45 1.45 1.4	187-500 Eurofitmo 181/2 20 Oct 90 102% 1884 1 3 1882 (ZEALAND) 5-40 Eurofitmo 81/2 28 Jen 91 11,10 11,42 9,44 183 1820 (ZEALAND) 187-500 Eurofitmo 21/4 28 Jen 105 1/4 1836 1839 1846 1851 1846 1851 1846 1851 1851 1851 1851 1851 1851 1851 185	5. 41/2 95 Oct 92: 9,34 1126 7,07 81/2 93 Jun 96 1/2 1127 846 71/2 94 55 pt 11.26 7,79 52/4 95 Jul 96 1/2 1124 15,00 4,45
5.75 Brif Columbia Hydro 73.4 15 May 92.34 11.19 8.36 1106 Brif Columbia Hydro 16.4 18 Oct 111 3/4 12.22 14.54 5.200 Brif Columbia Hydro 14.34 19 May 109 12.46 11.53 5.150 Brif Columbia Hydro 15.74 92.34 11.31/4 12.81 13.07	525 Eurofilmo 191/2 19 Jon 86 11.76 14.17 9.88 3.41 20 20 20 20 20 20 20 20 20 20 20 20 20	41/2 16/Mer 251/2 11,94 15,94 7,45 81/4 16/Oec 92 10,75 25/7 71/4 17 Jun 74 14/7 18/25 9,54
CRIS 25 841 Columbia Mari Fin 9 75 Jun 91 1.127 9.79 554 Serti Columbia Major Fin 17 15 Oct 189 12.19 15.60 CRIS 24 Briti Columbia Major Fin 10 1/4 99 May 25 1/2 12.22 11.59 528 Budd Antendaire 91/2 25 Apr 92.3/4 12.92 9.72 528 Connector 81/2 25 Jun 98 12.3/4 8.67	575 Finland 15 1/4 17 Apr 107 1/4 1388 1429 55 Day fin New Zenter 170 Finland 11 1/2 19 Oct 11 1/4 14 10 14 19 14 19 50 Day Fin New Zenter 586 Finland 83/4 12 Oct 78 12.72 14.61 11.22 525 N.Z. Parasit Product 530 Engo-Gutasit 81/4 19 Feb 95 12.76 4.88 25 N.Z. Parasit Product	nd 73/4 14 May 14 12.54 14.09 634 nd 83/8 15 Jun 12 12.16 13.11 17.10 s 7 16 May 11 12.46 13.8
5 150 Campdeir 15 1/7 W Mar W7 1/4 1123 14.45 5 175 Campdeir 12 1/7 W Nov 181 1/2 11,94 12.20 5 185 Campdeir Interiol Bit 14 1/2 36 Nor 183 1/4 11,79 14,04 175,640 Compdies Imparted Bit 11 1/2 18 Jul 97 17,87 11,94	# 100 Empo-Guzzeit 5 # 18 Jul 70 1/4 1425 28.23 11.31 \$30 Oltstore Albains Co 120 Finicant Martingue Bit 9 1/4 13 Apr 9 424 13.04 13.0 13.0 \$27 15 Finicant Mortingue Bit 8 1/2 16 Feb 97 1/2 1225 15.78 \$30 Structure 1 \$125 Norway 15 Pinicant Mortingue Bit 12 5 Jul 95 1/2 1225 15.78 \$30 Norway	81/4 16 Dec 93 11.61 0.67 81/4 12 Apr 99 1/4 10.50 8.51 77/8 13 May 99 10.31 7.55
975 Conogliou Imperiol Sk. 151/4 98.Jul 107 12.76 1425 5160 Conogliou Imperiol Sk. 15 17 Mar 1911/4 12.11 14.55 cris 75 Conogliou Imperiol Sk. 151/4 191.en 1651/4 14.19 14.00 5180 Conogliou Imperiol Sk. 151/4 191.en 1651/4 14.19 14.00	275 Finnish Eusert Cred 123/4 70 Nov 100 1274 1275 5130 Norway 515 Finnish Municipal 8 1/4 10 Mar 8/1/2 1239 1498 954 525 Norway 515 Finnish Municipal 8 2/4 19 Feb 81 1/2 1232 1471 1074 533 Norway	71/4 14 May 78 1/4 10.55 7.55 51/2 14 May 72 1/4 10.55 9.57 51/2 14 May 72 1/2 11.19 14.12 5.55 51/2 15 Apr 76 10.41 12.45 4.45 51/2 24 Oct 89 12.19 14.24 4.45
CONS DE Connection Not Rollinery 21/2 57/2 57/2 May 8 1/2 12.4 12.5 13.6 13.6 Connection Not Rollinery 14 5/8 47 Dec 18/1/2 12.17 13.40 13.5 Connection Not Rollinery 14 5/8 47 Dec 18/1/2 12.17 13.40 13.5 Connection Not Rollinery 14 5/8 47 Dec 18/1/2 12.5 13.4 13.5 13.5 13.6 13.6 13.6 13.6 13.6 13.6 13.6 13.6	\$15 Helstrik City 82/4 26 Nov 96 1/2 11.81 13.07 9.07 \$10 serious City 9.12 \$15 Bergari City 9.25 Indirective Network 12/2 17 Jun 92 1/4 14.39 9.12 \$15 Bergari City 9.25 Ind Pard Of Fiolond 8 1/4 17 See 82 1/2 12.94 16.99 9.81 \$15 Bergari City 9.26 Ind Pard Of Fiolond 8 1/4 17 See 82 1/2 12.94 16.99 9.81 \$15 Bergari City 9.26 Ind. After See 82 17 2 12.12 14.22 9.44 Ind. The Total Export Miscons 15 Palagrap City 82 14 78 Dec 89 1/2 12.17 14.15 9.78 Ind. Total Export Miscons 15 Palagrap City 82 14 78 Dec 89 1/2 12.17 14.15 9.78 Ind. Total Export Miscons 15 Palagrap City 82 14 78 Dec 89 1/2 12.17 14.15 9.78 Ind. Total Export Miscons 15 Palagrap City 82 14 78 Dec 89 1/2 12.17 14.15 9.78 Ind. Total City 12.17 14.17 14.15 9.78 Ind. Total City 12.17 14.15	8 TAPE 8 119 121 1.9 1.9 1.9 1.9 1.9 1.9 1.9 1.9 1.9 1.

# Astronomers Puzzled by Star's Rapid Flashes

By Walter Sullivan

New York Times Service
NEW YORK — Astronomers are looking intently at a star in the constellation Vulpecula that they believe may be flashing on and off almost 642 times a second. That extraordinarily rapid pulse rate has already been observed in the radio emissions of a pulsar, or pulsating star, at that same location. The object's pulse rate is 20 times higher than any previously

observed pulsar. Moreover, it does not appear to be slowing down, as would be expected from current theories about pulsars. The radio pulses have been un-

der observation since September with the world's largest radio antenna, a 1,000-foot-wide (300-meter-wide) assembly near Arecibo. Puerto Rico. More recently the location of the radio source has been pinpointed by antenna arrays, first at Westerbork in the Netherlands and then, with great Gray, 73, a former secretary of the precision, by the Very Large Array army who served in high national near Socorro, New Mexico.

A star discovered at the same to cation by George Diorgovski of the Lick Observatory in California in Washington,
Mr. Gray, a Democrat, joined
Mr. Gray, a Democrat, joined high-speed flashing. The technique the federal government when Tru-is comparable to blinking the eyes man appointed him assistant secreat the assumed rate of the flashing. When the blinking is in phase with the "on" part of the cycle, the star will be visible, but when in step with the "off" part, the star will appear to vanish. The results so far have been described only as tantalizing.

In the radio observations, the recordings were broken into segments less than one onethousandth of a second in length. Analysis then showed the radio transmissions reached peaks of intensity almost 642 times a second.

The scientists assume that this its pulses by rapid rotation, in this case at 642 times a second. But the nally reached.

للمناه والمراجع والمحارب والمحارفة

fastest pulsar previously known, in the Crab Nebula, spins only 30 times a second, and it is exceptional. It is visible through telescopes. The more nearly typical pulsar

rate is one or two times a second. According to Carl E. Heiles, professor of astronomy at the University of California at Berkeley, it is hard to explain why the object in Vulpecula should spin so very fast. Dr. Donald Backer of his department led the team that detected the superfast pulsar.

Even spin rates of one or two seconds were puzzling when first observed. Other astronomical ob-jects spin far more slowly, about once a month, for example, in the

Soon after pulsars were first discovered in 1967, Dr. Thomas Gold of Cornell University proposed that their rapid spin was due to rotational momentum remaining after a star collapsed from a much larger size. Pulsars are believed to be remnants of large stars that have collapsed to extreme density after burning up their nuclear fuel

To conserve their rotational momentum, the spin rates of stars originally rotating in hours or days would have to increase until they might reach hundreds of times a minute. Then, particularly in the initial period after collapse, they would shed energy in the form of radiation pulses and gravitational waves. Losing energy in this way

would gradually slow their soin. Observation of such slowing in the Crab pulsar was strong confirmation of the hypothesis.

When the superfast pulsar was first observed this fall, it seemed to be slowing, but more precise recording has now shown its rate to be essentially unchanging. If the pulsar was produced, as scientists assume, by a supernova, which is the explosion of a giant star and compression of its interior to superdensity, it must have occurred more than 30,000 years ago, Mr. But, he said, there is no evidence

for such an explosion in that region of the sky, between the constellations Cygnus and Sagitta.

# Gordon Gray, Former Army Secretary, Dies

WASHINGTON - Gordon security posts from the Truman through the Ford administrations,

tary of the army in 1947, then secretary in 1949. Eisenhower made him his principal adviser on national security, and he continued to serve on numerous advisory boards in both Democratic and

### Strike at U.K. Paper Ends

LONDON - Workers at the Daily Telegraph agreed Saturday to end a strike that had halted London production of the newspaper for 10 days. The strike, opposed by the printers' own union, began as a protest against compaobject, like other pulsars, generates ny plans to shut down a press to save money. A compromise was fi-

1961 to 1977, he served on the President's Foreign Intelligence Advisory Board.

Mr. Gray was a Phi Beta Kappa graduate of the University of North Carolina and served as the university's president for several years in the 1950s, with frequent interruptions for assignments in

#### Hugh Harman

CHATSWORTH, California (UPI) - Hugh Harman, 79, an Academy Award-winning cartoon animator who with his partner Rudolph Ising created "Looney Tunes," died Friday after having been in ill health for the past year.
The animators' "Merrie Melo-

dies" cartoons gave the film world such characters as Porky Pig, Tweetie and Sylvester, Daffy Duck and Tom and Jerry. Their 1940 cartoon, "The Milky Way," won an Academy Award.

Effic Perrine, secretary to Humphrey Bogart's Sam Spade in the 1941 film "The Maltese Falcon," Thursday in Laguna Hills, California, after a heart attack.

J. Montgomery Curtis, 77, who from 1947 to 1967 was associate director, then director of the American Press Institute, Thursday of kidney failure in Miami. Erzsebet Hazy, 51, leading soprano of the Hungarian Opera

House and a member of the cast for more than 30 years, Wednesday in Budapest. She was one of the most popular Hungarian singers on opera stages abroad. Dinah Silveira de Queiroz, 63, a popular Brazilian author best known for her book "The Wall,"

Saturday of liver cancer in São

Paulo. N. Eldon Tanner, 84, a counselor to four Mormon Church presi-dents whose administrative skills were considered crucial during the church's most rapid growth, Satur-Lee Patrick, 71, an actress day in Salt Lake City, Utah, of whose most memorable role was cardiac arrest.

Eurobonds - DM Bonds - Schuldscheine for dealing prices call

Westrieutsche Landesbank, Heed Office, P.O. Box 1128, 4000 Dusseldorf Telephone 8 26 37 22 - Telex 8 581 881: International Bond Trading Dept Telephone 8 26 37 41 - Telex 8 581 882: International Investors Dept

Westdeutsche Landesbank, 41 Moorgate, London EC2R6AE/UK

West B International S.A. 32-34. boulevard Grande-Duchesse Charlotte. Luxembourg, Telephone 44 74 11 Telephone 28 31 WestLB Ass Limited, BA Tower, 36th Place, 12 Harcourt Road, Hong Kong Telephone 25 92 06 Telex 75 142

Leading Marketmakers in Eurobonds West LB Westdeutsche Landesbank

hc: .

Indiana.

k 71 · .

 $\{ |u_i|_{u\in V_{i+1}} = 1 \}$ 

图的10 A

 $\mathbb{I}_{2,\mathcal{O}_{\mathbf{k}(T)}^{(i)},\ldots,(i,j)}$ 

*बेरीव*द्ध सीधारः

s entra la la la

Experience of

53/4 14 Jun 15 17,03 23.08 4.74 53/4 16 Peb 14 12,14 22,00 4,87

(Continued on Page 18)

1290

A SPECIAL REPORT

PART I

Part II will appear tomorrow.





# Boom in Asia Dollar Market Continues; Singapore, Hong Kong Vie for Business

TOKYO — These days, finding the center of the Asia dollar market is rather like tracing the whereabouts of a teen-age son. He has a formal home, but he is rarely there. All his important activities are arranged away from home. And on the rare occasions when he is at

home, he spends all his time on the telephone.

The Asia dollar spends a similarly peripatetic existence. The formal home of the Asia dollar market is Singapore, where there is a \$90billion-plus market in offshore hard currencies. But the hamburger joint, soda fountain and bowling alley of the market is Hong Kong, where most of the major financings continue to be arranged. However, the telephones are kept busy in Singapore by the booming growth of its foreign exchange dealings, which this year has begun to exceed the volume of forex

business done in Hong Kong. Singapore has been remarkably successful in building up a large pool of Eurodollar deposits in its Asian Currency Units. Unlike the Euro-pean Currency Unit, which is an artificial composite currency composed of a basket of European currencies, Asian Currency Units are the separate accounting units of banks and other financial institutions that have been given ap-proval to do business in the Asia dollar market. ACUs resemble New York's International

1. 22 00 1. 22 00 1. 25 00 1.

annual on Piec 18

WestlB

Banking Facilities (IBFs) or Bahrain's Offshore Banking Units (OBUs).

The number of banks and other financial houses given approval by Singapore's Mone-iary Authority (MAS) has risen rapidly in the last few years. The number of ACUs topped one hundred for the first time in 1979 and reached 115 by the end of 1980. There are now more than 130 ACUs in Singapore and the number is still rising — the latest arrival, in September, was Malayan Banking Berhad.

The volume of funds held in the ACUs has

also risen sharply. Five years ago, at the end of 1977, total assets of the ACUs amounted to (2) billion. They reached \$27 billion in 78 and then started to grow by more than 40 percent a fear in both '79 and '80 to reach \$54 billion. Last year, the ACUs rate of growth acceleralmost 60 percent, topping \$85 billion by the

"The buoyancy in interbank Asian dollar market activities may partly be attributed on the supply side to the increased flows of OPEC funds with the reappearance of massive OPEC surpluses," the annual report of MAS for 1980-81 noted as an explanation for the fast growth of ACUs. "On the demand side, it was linked to the active role of the market in recycling the large inflow of OPEC funds into the international banking system and the increased use of Singapore as a funding center," the report noted.

Conversely, however, a failing OPEC investible surplus tends to lead a slower rate of growth in Singapore ACU assets. That has been the case this year. In recent months the total assets of the ACUs have amounted to around \$90 billion — a scant 6 percent above their level at the end of '81.

Most of Singapore's funds tend to come from the London Eurodollar market, with much of the remainder being funneled from Caribbean banking centers and the Middle East. The funds tend to be used by Asian borrowers — the ASEAN countries — Indonesia, Malaysia, Singapore, Philippines and Thailand - as well as Japan, Hong Kong and South

But although the Singapore experiment with offshore banking centers has been successful in establishing a large and viable market, the ACUs have not succeeded in wrestling dominance of the major international financing market from Hong Kong. When it comes to international syndicated loans, Hong Kong re-

This year, for example, Hong Kong has been be venue for around 80 syndicated loans, worth in aggregate more than \$4 billion. Singa-pore, on the other hand, has hosted only about 30 loans, with a total value of under \$2 billion. Loan signing venues are not an infallible guide to the relative financing status of Hong Kong and Singapore, but they do serve to show that Hong Kong is still some distance ahead. Singapore arranges some large interna-tional loans — Bentoc Ltd. of Australia signed its eight-year \$200-million credit in Singapore at the beginning of October, for example —but the biggest regional loans tend to be ar-

ranged and signed in Hong Kong.

This is particularly true of large regional project financings. Bougainville Copper of Papua New Guinea signed its \$225-million nineyear credit in Hong Kong in September, with BA Asia acting as agent and Commonwealth Trading Bank of Australia as joint lead mana-ger. And CSR Ltd's \$950-million financing of its purchase of Delhi Petroleum's stake in Australia's Cooper Basin oil and gas field was also

signed in Hong Kong, in August.

One of the biggest project financings to be arranged in the Euromarkets — New Zealand's Synthetic Fuels Corporation's \$1.7 billion — was also syndicated out of Hong Kong. Although the credit was form London (at the end of July), the books were run by Citicorp International Group through Citicorp's joint venture with Fuji Bank in Hong Kong, Asia Pacific Capital Corp. (APCO).

Hong Kong's ability to do more syndicated loan business has stemmed mainly from the colony's low tax rates on corporate income, its largely unrestricted financial markets, its proximity to two frequent Euromarket borrowers — South Korea and Taiwan — and the snow-balling effect of a headstart. The more banks that established in Hong Kong, the more that wanted to join the action. Singapore, on the other hand, has had a rather more artificial growth. It has natural advantages through investment links with other ASEAN countries but a more regulated financial structure that depended largely on the exemption from with-holding tax on interest in offshore ACU deposits for its success in holding Asia dollars.

At the end of February this year, Hong Kong moved to increase its attractiveness relative to Singapore by scrapping its 15-percent withholding tax on foreign currency deposits. How far that will pull funds from Singapore,

(Continued on Page 10S)

# Creditors: The North American Lesson

European Banks, After Scoring in Loan Market, Discover Debt Rescheduling

By John M. Berry

WASHINGTON — European banks that W aggressively began to compete several lears ago for loan business in the North American market have learned, as one U.S. banker Put it, "here we tolerate bankruptcies."

Each time another major corporation in the United States, Canada or Mexico is added to the list of those bankrupt or close to it, or at cast facing a serious need to restructure large debts. European banks invariably show up among the creditors looking for a way to recover their money.

International Harvester, AM International, Dome Petroleum, GHR Cos. and Wickes Cos. are just a few of the companies in the financial soup this year, and all had European bank loans separately or through loan syndications. Perhaps as a result, some of the banks are pulling back, their American competitors believe.

In Mexico, of course, no new loans are being made. Rigid exchange controls and a severe shortage of foreign exchange have halted all payments due foreign banks on loans both to overnment entities and private companies. Only interest has been paid since August, a situation likely to continue until additional foreign exchange is obtained through an International Monetary Fund loan tentatively agreed to on Nov. 11. A resumption of repayment of the \$85 billion in outstanding bank loans also depends upon completion of a debt restructuring agreement that will involve new

loans and a stretch out of terms. Mexico has told bankers that it is preparing comprehensive proposals to restructure its debt. It is seeking to obtain — and is expected to be granted — an extension of 120 days on the 90-day postponement on principal paymenis, which began August 23.

No one knows the amount of European loans now outstanding in the United States. The figures published by the Federal Reserve showing non-bank business liabilities to fortigners are notoriously poor, even Federal Re-

SCIVE officials admit Officially, such financial liabilities stood at just under \$14 billion late last month, a level

virtually unchanged over the last 12 months. About half the amount is owed to Europeans. But everyone agrees that the actual number is far larger. "Most of the foreign activity is hidden, explained an official at a large New York bank who tries to keep track of his competition. "My personal judgment is that the figure may be two or three times as large as the

In the New York area, where many foreign banks have offices from which they may book loans directly or route the business through an offshore lending facility, "upwards of 30 percent" of all the commercial and industrial loans are held by foreign banks, mostly European, another New York banker declared. "Whether it's 20 percent, 30 percent or 40 percent, what's the difference. It's a large num-

ber," he said.

The total of such loans at all large U.S. banks is around \$210 billion. At two times the published figures, foreign banks would hold roughly one-eighth of the U.S. market. At three times, they would have about one-sixth.

Both the American bankers and the Federal Reserve would dearly love to have a better handle on the level of these transactions and their ebb and flow. The bankers would like to know for competitive reasons, the Fed so it would have better information about credit conditions and the role of foreign banks in the

United States. The foreign bankers booking this business often is just as determined to keep any competitive edge the added secrecy gives. They are just as intent on keeping their European competitors in the dark as the U.S. banks. Channeling loans through offshore locations such as the Netherlands Antilles may also reduce U.S.

tax burdens. Another point of agreement is that the amount of these loans from foreign banks is no longer growing rapidly, if at all, and that the growing list of bankruptcies is one factor.

Published figures, for instance, show virtual-

ly no increase in these loans over the last year. That is in sharp constrast to the record of the previous three or four years when the European banks were really going after loan business

"The foreign banks definitely are less aggressive than in the past," one of the U.S. bankers said. "It's not just that the banks are at risk with some of the bankrupt companies. It's a function of those names lof the troubled companies] and the depth and breadth of the problem. There are a lot of names with problems and most are not publicly well known.

"Even if the foreign banks wished to keep up their aggressive lending, they're spending more time these days working on their problem loans than on marketing," the U.S. banker

In the case of International Harvester, the severely troubled truck and farm equipment manufacturer, 193 banks have had to agree to major debt restructurings. No list of the banks or their exposure has ever been made but the company confirms a number of European banks are involved. "They have been very sup-

portive," a Harvester spokesman said.

That support in the latest debt restructuring took the form of agreement for additional postponement of debt repayment and convert-ing up to \$350 million of debt into equity. In two other well-publicized cases in which

more details are known, the degree of exposure some European banks have accepted has star-tled American bankers. In one, the Banque de Paris et Pays Bas, or Paribas, emerged in September as the largest lender to the GHR Cos., a little-known privately held American oil and gas company whose principal assets are about \$1 billion worth of oil and gas reserves and a refinery in Good Hope, La.

GHR, whose predecessor company emerged from a bankruptcy proceeding only in 1980, owes \$750 million to a group of 14 banks, inchuding \$245 million to Paribas. The Banque Arabe et Internationale D'Investissement is owed \$25 million, a Canadian bank \$10 million and the remainder is due U.S. banks. The largest U.S. bank loan is \$165 million from Continental Illinois National Bank & Trust

GHR is in a cash bind as a result of an expansion undertaken since 1980 and financed by the large loans. To work its way out, the (Continued on Page 11S)

# Fear of Growing World Debt Stalls 2 Decades of Tumultuous Growth By Carl Gewirtz finance, "there can be no question of any sort

PARIS — Two decades of rumultuous Euromarket growth ended abruptly this year, stalled by fears that the widening debt crisis of developing countries and Eastern Europe could trigger an international banking crisis to match that experienced in the Great Depression of the 1930s.

The slowdown is both a result of the feared crisis and a cause, for as banks rush to reduce their international exposure out of fear they will not be repaid they risk starving good cred-itors of essential financing and exacerbating

the plight of their ailing customers.

As a result, central bankers now have a new worry. After decades of admonishing Eurobankers about the unbridled growth of the market and the need for more caution, they are now exhorting them to maintain the flow of funds to prevent financially pinched but cred-it-worthy states from being driven to the wall by the lack of new credits,

To emphasize their point, the central bank-ers, acting through the Bank for International Settlements, provided \$510 million of shortterm finance to Hungary at mid-year and in late August announced a \$1.85-billion package for Mexico. The operation for Mexico was extraordinary - the first loan ever extended by the BIS to a non-member country.

The BIS makes it clear it is not offering to bail out the banks or their clients, but rather is providing banking solutions to banking problems on the understanding that a longer-term solution is about to be worked out under the aegis of the International Monetary Fund.

"The lesson to be drawn from these two ex-periences," says Alexandre Lamfalussy, economic adviser to the BIS, "is that the indispensable, although not necessarily sufficient, condition for such a facility is that the country in need of liquidity support should demonstrate its willingness and ability to enter into a standby negotiation with the Fund with the objective of reaching an effective agreement.

"This means an unquestionable willingness and ability to undertake realistic and determinded policy measures that stand a good chance of re-establishing external balance." He stresses that while negotiations with the IMF are an "indispensable condition" for the BIS to consider providing short-term bridging

of advance commitment to help anybody who satisfies that condition."

The critical factor appears to be situations where someone has to step in quite quickly to reassure markets. Whether we can do that on a really large scale and for how long. I simply don't know," Prof. Lamfalussy admits. "But we've tried to do it, and I think it's been relatively successful."

Few would argue with that assessment. In late summer panic gripped the Euromarket. The seeds of the problem were planted earlier in the year when Chase Manhattan and Continental Illinois jolted investors' confidence by reporting major losses resulting from excessively risky domestic dealings that had been based on an overagressive search for profits.

In the midst of this news, Italy's largest private bank, Banco Ambrosiano, went bust and, although a rescue was mounted for the Italian bank, its Luxembourg financial affiliate — which had borrowed more than \$400 million in the Euromarket — was left adrift. The drama for the market was not the money involved but rather that the Bank of Italy could ignore any responsibility for the affairs of the Luxem bourg unit — shattering the illusion that doing business with any arm of a bank was as good as doing business with the parent. Also shattering to confidence was the evidence that banking authorities' supervision of the international operations of banks in their jurisdiction was considerly more slipshod than had been

The really stunning blow to morale was the mid-August announcement of a 90-day mora-torium of principal repayments on its \$80-bilthe first time, fear gripped the market that dozens of banks, big and small, could go bust if Mexico's debt turned out to be worthless. The rapid mobilization of the BIS loan for

Mexico gave immediate comfort to the market. Nevertheless, investors began shifting deposits from banks to the iron-clad security of U.S. reasury bills and notes, and banks began to think twice about which other institutions they were willing to lend money to. As a result the Euromarket's \$700-million interbank market began a countdown to crisis,

The interbank market is the lifeline of the Euromarket. All other transactions are based on it. The pricing of the vast majority of syndi-cated loans is based on a fixed margin over the London interbank offered rate. And if, in times of crisis, banks cannot acquire funds at Libor but must pay a premium, as began to develop in August, such banks could find themselves locked into a contract to lend money at terms that are no longer profitable. That in itself could set the stage for a cumulative

crisis of confidence in banks. The strains in the interbank market were evident but before a full-blown crisis could develop the Federal Reserve Board let it be known that it was adopting a more flexible monetary policy — a move it confirmed by cutting its discount rate on Oct. 6 — triggering a boom on Wall Street that, at least temporarily, obliterated worries in the interbank market.

But lending has not recovered and banks ap-pear to be in a holding pattern. The debt crisis is firmly centered in Latin America, with all countries tarred by the problems of Mexico and Argentina. This has had a huge impact on Venezuela, which more than any other Latin borrower has relied on short-term loans and is therefore the most vulnerable to the changed mood of bankers. Brazil, which has the second largest debt after Mexico but has skillfully managed its debt, is also having problems renewing short-term deposits.

Lending in the Far East market so far is largely unscathed, although bankers are begin-ning to worry about the size of South Korea's debt relative to its foreign currency earnings from exports. The Philippines is another worry

Eastern Europe remains mostly off limits, with Poland having to reschedule its debts each year for the foreseeable future and Romania yet to arrive at terms for rescheduling this year's debt. The Soviet Union has made relatively little use of the market, and it remains uncertain how much access Hungary and Czechoslovakia will have. East Germany is a special case in light of its financial rela-tionship with West Germany.

Africa remains out of the main arena of Eu-

romarket borrowing.

The debt of developing countries is current-

(Continued on Following Page)

The International Herald Tribune invites you to meet the ASEAN Government leaders at an international conference on:

# Trade and Investment Opportunities in the ASEAN Countries

-February 9, 10 and 11, 1983 in Singapore –

In the midst of an international economic crisis, Indonesia, Malaysia, the Philippines, Singapore and Thailand, the live members of the Association of Southeast Asian Nations, continue to show growth rates of 5% to 7% annually.

Their rapid economic growth has led to a major increase in their imports from the United States, Japan and Europe, and ASEAN is expected to be the most rapidly growing market for the industrialized countries

through the 1980's. Abundant natural resources, an increasingly skilled and competitive labor force and political stability make the

area particularly appealing to companies seeking to

INTRODUCTION TO ASEAN . H.E. Mr. Chan Kai Yau, Serretary General of ASEAN Mr. Masso Fujioka, President, Asian Development Bank

FEDERATION OF MALAYSIA

 H.E. Daro'Seri Dr. Mahathir Bin Mohamad, Prime Minister H.E. Tengku Dato'Ahmad Rithauddeen Bin Tengku Ismail,
Minister of Trade and Industry

KINGDOM OF THAILAND

- H.E. Major General Charichai Choonhavan, Minister of Industry Mr. Sanoh Unakul, Secretary General of the National Economic and Social Development Board
- · Mr. Charnchai Lecthavorn, Secretary General of the Board of Dr. Thongchar Hongladaromp, Governor of Peroleum Authority of
- Mr. Hivavong Thangkasin, Director General, Department of Mineral Resources, Ministry of Industry.

ASEAN countries have been actively encouraging foreign investment in recent years. The International Herald Tribune's conference on

expand their activities internationally. Moreover, the

'Investment and Trade Opportunities in the ASEAN Countries" will be an unprecedented opportunity to hear and question in a single forum the government officials who are responsible for formulating the trade and investment policies of these five countries.

The delegation from each country is listed below. A spokesman from each of the three major trading partners of ASEAN — the United States, Japan and the EEC has also been invited to participate.

REPUBLIC OF THE PHILIPPINES

H.E. Mr. Cesar Virara, Prime Minister

Mr. Jose P. Leviste, Jr., Deputy Minister of Trade and Industry
 Third speaker to be announced.

REPUBLIC OF SINGAPORE

• H.E. Dr. Tony Tan Keng Yam, Minister of Trade and Industry Mr. Hwang Peng Yuen, Chairman of the Economic Development

 An inviration has been extended to H.E. Mr. Lee Kuan Yew, Prime Minister of the Republic of Singapore

REPUBLIC OF INDONESIA

. H.E. Professor J.B. Surnarlin, Minister of State, Vice Chairman of Bappenas (National Development Planning Agency).

H.E. Professor IR. Socialisono Hadisapoetro, Minister of Agriculture

 IR. Suhartoyo, Chairman of BKPM (Investment Co-ordinating Board)
 H.E. Mr. Surnitro Djojohadikusumo, Consultant, former Minister of Finance, of Trade and of Research and Technology

Please enroll the following participant in the conference to be held February 9-11, 1983 in Singapore.

The participation fee is U.S. \$1,500 for each participant. This includes hunches, cockerifs, a reception and conference documentation. Fees are payable in advance of the conference and will be returned in full for any cancellation that is postmarked on or before January 25. A cancellation fee of U.S. \$400 will be incurred after this date. Cancellations received by the organizers less than 5 days before the conference will be charged the full fee.

☐ Check endosed

For further information please contact the International Hetald Tribune in Paris. Tel.: (33-1) 747.1265, Tx.: 612832. Or Far East Consult Pte Ltd. in Singapore. Tel.: 733 85 69.

Conference location: Mandarin Hotel. Information on preferential rooms rates will be sent to you on receipt of this form.

CONFERENCE REGISTRATION FORM Return to: International Herald Tribune, Conference Office. 181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex, France.

> Position Company Address

City/Country Company activity

# World Bank Officials Term Co-Finance Solution to Third World Loan Problem

banks with official institutions in lending to developing countries - is a concept whose time has come, World Bank officials believe.

The concept, initiated a decage ago, never really fired up bankers and to date only \$3.7 billion of such loans have been arranged under the auspices of the World Bank. To put that figure in context, it represents less than 2 percent of total medium- and long-term commercial bank loans to the developing world.

But now, with bankers fed a daily diet of woes about Third World credit risk and with international bank lending slowing as more and more countries seek to reschedule their debts, co-finance is beginning to look as if it could have been tailor-made to today's prob-

Put simply, if banks turn off their lending, they will turn lots of good credits into bad risks. The money must keep flowing.
The financial requirements of the develop-

ing countries dwarf what the International Monetary Fund, the World Bank and the various other regional lending institutions can sup-ply. Nor is it possible for the top 50 World Class commercial banks, whose farflung interests will surely keep them in the market, to take up the slack if banks 51 to 500 try to pull

Out.

Thus, a way has to be found to keep new loans coming from the hundreds of smaller

the market. And co-finance may be the an-

What makes co-financing attractive is the blemish-free record of the World Bank. It has never rescheduled a loan. And as events have shown, borrowers will squeeze to keep current on World Bank finance when virtually all others are allowed to fall behind because the World Bank's clients cannot afford to lose access to its relatively low cost and long maturity

The aim, then, is to extend the World Bank's perfect credit relationship with the Third World to commercial banks, giving them greater assurance that the debt will be serviced and repaid on time.

"There could be a certain amount of switching" from pure commercial bank credit to cofinance, says David Lomax, senior economist at National Westminster in London, But the possibilities should not be exaggerated, he adds. "It does seem a sensible way forward, but it certainly doesn't solve all the world's

An American banker agrees, noting that the World Bank's presence in a co-finance deal would not suffice to get his bank to increase its lending if its internal country lending limit had been reached. On the other hand, Amsterdam-Rotterdam Bank has a special portfolio for cofinanced loans that are not counted in Amro's self-imposed ceilings for country lending.

Other regional banks, such as the Inter-American Development Bank, are also actively promoting co-financing but face the same problems and limits as the World Bank. At present, the World Bank is looking to increase both the scope of co-financing ar-

ngements and their marketability. The scope to date has been restricted to development projects and programs - agricultural, energy and telecommunications projects whose cash flow can be projected to assure repayment of the loans. Currently, the World

Bank is also seeking to engage commercial banks in financing its structural adjustment loans that lack such precise cash-flow projec-Structural adjustment loans are closer in concept to stand-by loans of the International Monetary Fund than to traditional World Bank project loans. The difference is that IMF loans are rather short-term, running for up to three years, whereas World Bank lending, aimed at improving the export performance of

The World Bank has set a self-imposed ceiling on such lending, which will not exceed 10 percent of its total commitments. Since the program's inception two years ago, only 13 of the bank's 75 active borrowers have concluded

specific sectors, is long-term for up to 20 years.



The World Bank and the International Monetary Fund at a joint meeting this year.

structural-adjustment loans for a total of \$2.15

Commercial bank co-finance in structural adjustment loans was solicited for Turkey, which is the biggest user of this World Bank program with three loans totaling \$880 million, but the banks balked. This was due in part to their own heavy commitments already outstanding as well as a desire to await new developments in co-finance agreements. Talks are now underway to draw up a plan for Lebanon that could emerge as the first structural adjustment program co-financed by commercial banks.

In studying ways to make co-finance more attractive to banks, the World Bank finds that the major drawback has been the absence of any formal link between the loans commercia banks make and the loan made by the World Bank. They are two separate loan agreen Under existing arrangements, the World Bank has the option to consider its own loan in default if the parallel commercial loan is not

kept current, but it is not obliged to do so. Bankers, wary of umbrellas since the one the Soviet Union was assumed to carry over its East European allies failed to open, worry that without a more formal link between their loans

and the World Bank a borrower could default on the commercial loan and suffer no pain in. its relationship with the World Bank, Evidence that the World Bank umbrells

seems to be working does not give bankers much relief since they worry that the next example could be different. Nevertheless, Romania, which is trying to renegotiate its private bank debt, and Mexico, which in August declared a 90-day moratorium on its principa repayments, have kept payments current on their commercial bank loans that are cofinance deals with the World Bank. (Mexico.is

# Fear of Widening World Debt Load Slows Down 2 Decades of Tumultuous Growth

(Continued from Preceding Page)
ly estimated to total some \$625 billion. The list
of countries that are seeking to reschedule
their bank debt or that already have runs from Argentina to Zaire and the amounts range from tens of millions of dollars for Uganda to tens of billions for Mexico.

Total disbursed debt of the non-OPEC developing countries is estimated at \$520 billion, of which some \$365 billion is owed to banks in the industrialized countries as well as in the Third World, particularly OPEC countries. Deducting the estimated \$157 billion these countries have on deposit with banks in the industrialized countries (such data is not available from banks in the Third World), the estimated total exposure of banks amounts to \$208 billion.

However, some \$50 billion of the bank debt is guaranteed by official export credit agencies reducing the net exposure of banks to the non-OPEC developing countries to some \$158 billion. Four countries - Argentina, Brazil, South Korea and Mexico account for 89 percent of this net exposure.

In fact, some two-thirds of the total debt owed to banks by developing countries is concentrated in only 12 states that are well positioned to service it - provided there is a sustained economic recovery in the industrialized countries. Five are oil exporters — Algeria Egypt, Indonesia, Mexico and Venezuela, And the others - Argentina, Brazil, India, Israel,

South Korea, Turkey and Yugoslavia - are all major exporters of manufactured goods.

Like all developing countries, they have been badly hit by the prolonged recession in the industrialized countries. This has cut the price of their commodity exports - food and raw materials — as well as the volume, espe-

cially of oil. The non-oil developing countries' terms of trade — the prices of their exports relative to the prices of their imports — are estimated to have deteriorated by over 5 percent this year after a drop of 10 percent last year, following years of substantial gains in the 1970s. The volume of their commodity exports, which since the mid-1970s had been increasing at annual rates of 7-to-10 percent, is expected to show a very modest increase this year of 2-to-3

At the same time, their exports of manufactured goods have been hampered by the slow-down in world demand and increased protec-

This combination has substantially reduced the export earnings of these states, leaving few-

er dollars to service their foreign debt.
But the cost of servicing the debt increased substantially in both nominal terms - as interest rates soared to record highs - and in real terms. The base rate of Euromarket loans - the London interbank offered rate for sixmonth Eurodollars — averaged 13% percent this year — only modestly below the cost in

1979, 1980 and 1981. But in those years, U.S. inflation was running at 10-to-13 percent, while this year it is less than 5 percent meaning a "real" interest burden of some 8

percent compared to a low 3 percent in 1980.

Despite the widespread belief that banks were unwise to make such large loans, analysts are satisfied that the bulk of the borrowed money was used intelligently, to finance investments and economic development. The countries just borrowed too much.

Problems arose because government policy — for example, in Argentina and Mexico — was not conducive to sustain the economic growth needed to justify these investments. Other complications arose because government assumptions on future economic environment proved erroneous - for example, Mexico's calculations about the increasing price of its oil exports.

Not to be overlooked is the fact that import demand of the developing countries, financed by bank loans, has been the only growth area for manufacturers in the industrialized countries during the protracted recession. Developing countries account for an estimated 45 percent of Japan's exports, 38 percent of U.S. exports and for some 25 percent of the exports of all industrialized countries taken together.

Reducing the imports of developing countries will mean less business and slower growth for the industrialized countries, which in turn will mean less demand for raw materials and

manufactured goods from developing countries unless a self-generated recovery gets underway in the industrialized countries.

What is clear is that the level of develop-

ment - and imports - the Third World attempted to maintain despite the world recession was and is not sustainable. The borrowers simply could not afford to finance it. Argentina's debt service payments this year, for example, are estimated by Morgan Guaranty Trust to total 179 percent of its exports of goods and services — generators of the foreign currency needed to pay the debt. The figure for Mexico is 129 percent, for Brazil 122 percent, Venezuela 95 percent, the Philippines 91 percent, South Korea 53 percent. By contrast, the figure for Malaysia is a comfortable 17 percent

Also clear is the fact that while developing countries were ready to borrow as much as they could, banks were willing to lend it. If there was ever any question about what makes banks grow - whether loan demand makes them seek deposits or whether deposits drives them to find loan outlets - the experience of the past decade points to the latter.

Swollen with deposits from the oil-exporting states following the 1973 and 1979 explosions in the price of oil, banks were forced to put the money to productive use - to earn enough income to pay interest on the deposits and still

Theoretically, banks could have refused the deposits and indeed, many of the largest banks

sought to discourage the inflow by offering to pay below the market interest rates. But in re-ality banks could not refuse to take the depo-

To do that would mean dropping out of the race to be the biggest bank or, if not the biggest, to keep their ranking (always measured by deposits) relative to their traditional competitors domestically or internationally. In addition, there were real commercial considera-

"If we refused to accept OPEC deposits," a Dutch banker explains, "they would refuse to accept our letters of credit — which would mean that our own domestic clients seeking to do business in those OPEC countries would have to go to another bank to get the necessary letters of credit." The assumption was that the client would also take the rest of his business to that other bank.

So the banks took the deposits and then had to find ways to employ them. With recession in the industrialized countries reducing domestic demand for loans, banks were more than receptive to the requests from Eastern Europe and the Third World — especially as these loans were often used to finance the purchase of goods and services from the recession-plagued domestic customers of the banks.

As already seen, 12 of the most advanced developing countries accounted for the bulk of the demand and as these so-called newly industrializing countries were also the most credit-worthy of the Third World borrowers, banks ardently competed for their business. This competition put the borrowers in the drivers,

Maturities were stretched from the five years prevalent in the early 1970s to nine years late in the decade and some loans were granted for as much as 18 years. At the same banks, lending margins were shaved from over 1 percentage point above Libor to as little as &

In the rush to find new business, beales failed to pay sufficient attention to the fact that their lending was becoming dangerously. concentrated in a few countries, that their lowcost loans were not generating sufficient prof-its to enable them to increase their capital base in proportion to the growth of their assets' (loans) and liabilities (deposits). And by the rime Mexico said it needed a moratorium; hanks had become dangerously overexposed. Bankers are convinced that the problems are

manageable — that no major sovereign bor-rower would or could default and repudiate its debt. If that were to happen it would be a major catastrophe for a number of big bank which could see their net worth wiped out. But bankers reason that the borrowers need

access to new loans to finance their continued growth, that default would seal off that access for a generation or more and that, therefore, it

(Continued on Page 12S)

### Westpac Banking Corporation

Syndicated Loans in 1982

exceed

US \$12,000,000,000

Including

As Lead Manager

**CSR Limited New Zealand Railways** Istituto Mobiliare Italiano The Kingdom of Denmark

Egyptian Saudi Development Company Chemolimpex Hungarian Trading Company South Australian Oil & Gas Corporation Pty Ltd.

As Manager

Bank of Greece Vamgas Limited The Kingdom of Belgium The State Electricity Commission of Queensland Hydro-Electric Commission, Tasmania Tarong Coal Project, Queensland

**Eraring Power Company of New South Wales Limited** 

Steamships Trading Co. Ltd. The Government of Fiji Delhi Australia Fund

**Guif States Utilities Company** Ok Tedr Mirring Limited Santos Limited

**Taiwan Power Company** 

As Co-Manager

**Daewoo Corporation ACI International Limited** Associated Hotels Investments Ltd.

New Zealand Synthetic Fuels Corporation Limited Petralgas Chemicals NZ Limited

Bank of New South Wales and The Commercial Bank of Australia Limited have merged to form

**J**estpac

incorporated in Australia with limited liability

Banking Corporation

# **Bayerische Vereinsbank** Interim Figures 1982

**Bayerische Vereinsbank Group 30.6.82** 

(in billion DM)

Total Assets

Due to Customers

Due from Customers

Bonds Issued in Long Term Loan Sector

**Bayerische Vereinsbank AG** (Union Bank of Bavaria) London Branch 40, Moorgate

London EC2R 6EL Telephone (01) 6289066 Telex 889 196 bylg

Long Term Loan Sector

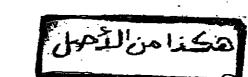
Lendings in

Bayerische Vereinsbank International S.A. 38-40, Avenue Monterev Boîte Postale 481 Luxembourg Telepone 428611 Telex 2652 bvilu

Capital Resources

Bayerische Vereinsbank AG **Head Office International Division** Kardinal-Faulhaber-Strasse 1 D-8000 München 2 Telephone (089) 2132-1 Telex 529921 bvmd SWIFT: BVBE DE MM





# Debt Relief: Poland's Case a Landmark Acrimony Prompted Western Banks to Systematize Rescheduling Procedures

DARIS - When the history of sovereign reschedulings is written, Poland's request for debt relief from commercial banks in early 1981-will cank as a landmark

Poland was not the first state to seek relief. And although its \$13-billion bank debt was at the time the largest rescheduling exercise private bankers had ever undertaken — and the first with an East-bloc state — the impact on markets was negligible compared to the terror that was struck when Mexico this year announced it was lotted to declare a 90-day moratorium on repaying the principal on its \$64-billion public sector foreign debt.

What marks the Polish exercise for special note was the action of the subsequent decision by senior management at leading banks to professionalize such operations. The post of rescheduling

officer was born out of that acrimony.

out and sufficient was born out of that acrimony.

As the debt problems get bigger — banks the World hat are owed some \$25 billion from public and he World hat private sector borrowers in Argentina and the does not see about \$57 billion from public and private been not worn that the capanded and in some banks whole depart-different the expanded and in some banks whole depart-different the expanded and in some banks whole depart-

he World Bank

on Following Part

rowth

ne borrowers in bei

the carl longing

Cars. At the are:

series shared from our

M. LANGBAR

the new business.

ten contine mas

१५ अक्टब्स् **वेदा**ल्

ili es ideostaj 🙀

e in intermitable do moment

🛶 ः 🕮 🖽 🖼 स्टब्स

our in finance des

ಎಎ : ಇಂದರೆ **ಆಚಿ**ನೆಯ

e Vereinsbank Ali

nal Division

ነው ነው **መረ**ፈቸውን miles on Page 🕮 🧸

the growth of 🎉

Size hed from a

tiations have sprung up.

There are a number of reasons to explain moral origin on the these moves, not the least being a desire to bank least being adesire to bank least being adesire to bank least being a desire to bank least to agold having to re-invent the wheel each time a hank hear the new bank team is sent to negotiate a new resthe World Bank the chechiling.

- But interviews with the executives involved show that foremost in the minds of bankers is a determination to avoid the fractious inlighting between lenders that marked the first round of the Polish debt talks.

There was considerable dissension within n.rd World bostom the U.S. banking community, as witnessed by the game of musical chairs played by banks participating in the U.S. steering committee, and between the Americans and the West Germans, who held the bulk of the Polish debt.

Morgan Guaranty, which was part of the original group of leading U.S. banks representand some same and ing American lenders, was an early dropout from the steering committee. The chairmanship of the committee rotated with unnerving regularity from Bank of America to Bankers Trust, to Manufacturers Hanover, to Bankers Trust, to Citibank, to Bank of America and

Course allegted & 6 Defamation laws prevent printing the comments that members of this group make about each other. The friction was further heightened ः १८८म**ात्** अ<mark>स्ट</mark> by the tough line adopted by Bankers Trust on the need to establish conditionality - seeking from Poland specific economic targets that would have to be met if the rescheduling agreement were to remain on track.

ic in record a way ಜ ವಿಖಾತ್ರದ ಅಭಿಕೃತ<del>ಿದ್ದಾ</del>ರಿ Burned by their earlier experience in 1978 in Peru, where banks sought to impose their own is to the see conditionality — a task traditionally left to the line default also international Monetary Fund — bankers generally opposed Bankers Trust because they were reluctant to again put themselves in a position to become the whipping boy of local polenergy services are:

There was more support for Bankers Trust's insistence that Poland supply its lenders more complete and up-to-date information on the

country's finances and economic performance, but this ran into stiff resistance from the Europeans, especially the Germans whose goal, the Americans say, was to get an agreement as fast

as possible.

Left out of the agreement that did emerge was any mention of (mostly European) shortterm debt and interbank exposure. The understanding, the Americans say, was that these would be maintained at prevailing levels. In fact, this short-term exposure was rundown as fast as the payment dates allowed, depriving the Poles of essential day-to-day liquidity and deepening their financial crisis.

To this day, bankers involved in the rescheduling argue about who promised to do what. Participants remain embittered about

"I don't think that the Polish experience was a particularly enlightening one," says a leading West. German banker. "But all other reschedulings before Poland were small fry, involving five or maybe 25 banks — but not 500. In all previous reschedulings we had a small group of banks that absolutely dominated the negotiations. . who were able to carry the ball and pull everybody else along. But everybody amounted to another five or 15 banks, not 480. That is the basic difference."

What marks the Polish exercise for special note was the acrimony it generated among bankers and the subsequent management decision at leading banks to professionalize such operations.

Morgan was one of the earliest to decide a better way had to be found to handle reschedulings and in mid-1981 appointed Leighton Coleman, who for many years headed its loan syndications department in London, to tackle the problem.

While a number of major banks continue to leave rescheduling responsibility to the senior executive responsible for the geographic location of the debtor. Morgan has adopted a more formal system of funneling the discussions through the same executive regardless of where

the borrower is located.

At the same time, Morgan aims at keeping flexible by pulling into its negotiating team its area people who have had regular personal contact with the finance ministry and central

Others, like the Bank of America and the leading French banks, continue to favor a regional approach to such talks. But in the United States, West Germany, the Netherlands and Britain, bank spokesmen report an approach akin to Morgan's. At Amsterdam-Rotterdam Bank, for example, Peter C. van Gool, a deputy general manager, coordinates such opera-tions that are handled on an ad-hoc basis, but by next year he expects a special unit will have been created to handle the problems of identilying total bank exposure and assuring conti-nuity in arriving at a rescheduling agreement.

Mr. Coleman observes that Morgan "decided to center the knowledge that comes out of working on these problems in one place, so that person could be of help to the banking division when particular problems arose within

specific geographic areas. Talking about the special group that Deutsche Bank has set up to handle these questions, Christian Vontz, an executive vice president of the international division, notes that "we try to mix administrative expertise with the knowledge of the area. You have to have a basic knowledge of how to approach things...to develop together with the borrower and the other banks a formula on which to proceed."

The emphasis, the bankers stress, is working together as a team with the banking division. which was responsible for originating the loans and which remains "relationship oriented."

"What I bring to the negotiations," Mr. Coleman explains, "is some sort of continuity, of what has gone on in past instances and attentive not to set precedents that could govern future problems. I bring an ability, hopefully, of being able to help in negotiating to deter-mine what will or will not be acceptable to

He adds, "We all have a common goal, bringing a country back so it will be able to reenter the marketplace, so it's creditworthy

There are often differences of opinion about how that is best accomplished, but Mr. Coleman shrugs this off as the nature of things in a

new phase of the banking business.

There is a nucleus of people now who are involved, who see each other on a continuing basis as countries around the world get themselves into these types of problems...The working relationship becomes a lot easier as we get to know each other personally, what to

expect of the other." Probably the most elaborate system has been set up by Bankers Trust, mainly because it felt frustrated by its inability to make head-way in urging a tougher agreement on Poland.

Headed by Lou Schirano, who, like Mr. Coleman, spent years in London heading the bank's syndicated loan department, Bankers' risk management division has a mandate to cut across internal divisional and departmental lines "to bring to bear the skills we feel are necessary to solve a particular problem situation," says Mr. Schirano.

Rescheduling will not be the unique scope of this group, which by early next year will be staffed with nine senior officials. It will also tackle credit analysis and policy as well as credit training.

"We're trying to set up a team concept," says Mr. Schirano, "whereby we would have people of different skills and knowledge within the bank brought together to deal with particular problems. How many of those people and (Continued on Page 12S)

Co-Finance Seen as Third World Loan Solution vate bankers' desire for greater security. But seeking to obtain - and is expected to be granted - a 120-day extension to its declared

A.W. Clausen, left, assumes presidency of the World Bank from Robert S. McNamara, right, last year.

August moratorium.) But if co-finance is to live up to expectations of drawing loans from banks that today would otherwise prefer to stay out of the international market, then a more solid protection against default and rescheduling has to be included in the formal agreement. Even the World Bank agrees with this assector.

sessment and is studying how and what it can do to achieve this. A simple cross default clause — if your loan goes bad I declare my loan due — will not work because the World Bank is not prepared to allow a group of private bankers to force it, in a situation where it has no voice, to declare its own loans in de-

One approach under consideration is to have the World Bank participate in the commercial bank co-financing. This would give it a voice if the syndicate were ever called on to declare a default and it would give the commercial banks the comfort of having the World Bank directly involved if a default occurred. What still is unclear, however, is what effect a default on a such a commercial loan would have on the World Bank's own loans with the same borrower if these latter loans were kent

(Continued from Preceding Page)

Current thinking is that World Bank participation in commercial credits might resolve prithen a major stumbling block is what the banks give in return for this security.

The World Bank would obviously prefer to see a greater volume of finance coming from commercial banks. In an era when the World Bank is becoming concerned about its own constraints on lending, it would like to see a minimum commitment on its own part generate a large flow of funds from the private

It, as well as the borrowers, would also like to see commercial loans extended for longer periods than banks are currently willing to lend. And the borrowers obviously would also like to see lower loan charges in exchange for the improved security co-finance provides

With each of the participants having a different view of the trade-offs and each wanting the benefits without any cost to themselves, cofinance has been slow to get off the ground. For the most part, the major international banks have preferred to do their own project finance at their own terms.

One possible resolution is for all parties to decide on seeking longer maturities. The World Bank participation in the commercial credit would not involve its putting up any money, but rather guaranteeing to take over the loan after, for example, year eight. And each year into the loan, assuming bankers re-mained satisfied with the performance, the

commercial lenders could agree to roll that guarantee's effectiveness forward another year.

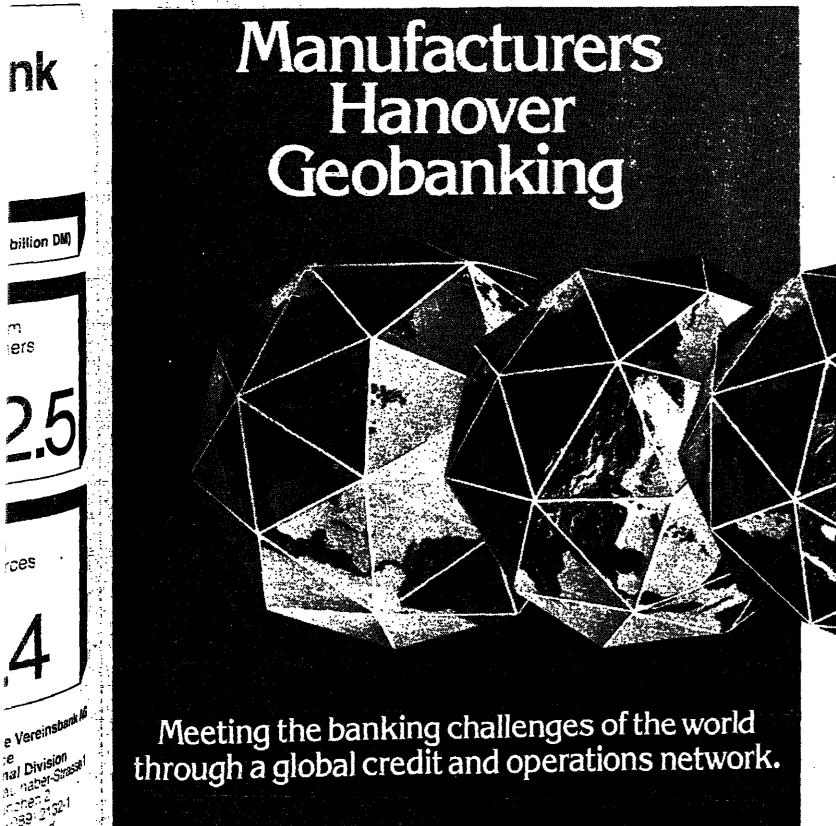
The annual extension of the World Bank guarantee would have the commercial banks providing long-term finance and it would free the World Bank from having to tie up its own cash resources.

One thing is clear: commercial lenders would like a better focus on what co-financing is expected to achieve "If the aim is to raise more money than might otherwise be available, then they shouldn't try to squeeze on the margin or stretch the maturity," says one New York banker specializing in co-finance.

A decision by the World Bank on how it will restructure its co-financing deals is expected shortly. But in the words of the bank's assistant general counsel, Tobias M.C. Asser:

"If we want to give protection to commercial banks, we should ensure that the co-financing relationship takes place not at the commercial level, where the commercial banks would not gain anything and the World Bank could lose a lot, but that the relationship is realized at the elevated level of the World Bank's special relationship with its member governments ... so that co-lenders' loans are transformed into a category of lending that enjoys privileges similar to those enjoyed by World Bank loans."

-CARL GEWIRTZ



#### GEOBANKING.

It is money moving and working around the world for businesses, banks and govern-

It is the way of worldwide banking at Manufacturers Hanover, a major U.S. bank with over \$50 billion in assets and a tradition of service dating back more than a

#### THE GEOBANKERS.

They travel their territory extensively. gaining first-hand knowledge of their clients as well as of the local business, economic and political environment. And continuity and depth of experience are

their hallmarks. They are the Manufacturers Hanover

Geobankers. From more than 100 strate-

gic offices, subsidiaries and affiliates in 40

countries, they respond to business needs

with scores of banking services. Everything

from export bill collections to equipment

GEOBANKING EXPORT/IMPORT

The way to facilitate worldwide trade.

The Geobankers at Manufacturers Han-

over expedite nearly \$350 million in international trade transactions every

working day. With a variety of services including export/import letters of credit directed through its overseas network and through more than 4,700 U.S. and overseas correspondent banks linking over 130

countries around the globe.

and project financing.

GEOBANKING MONEY TRANSFER The way to move worldwide funds.

Around the corner and around the world. the Geobankers move over \$31 billion worth of international remittances and payments daily to facilitate global business. By mail, cable and bank wire. And through

#### GEOBANKING MERCHANT BANKING

SERVICES. The way to marshal worldwide

both CHIPS and SWIFT.

Through our merchant banking subsidiaries in London and Hong Kong, governments, their agencies and multinational companies have access to the world's

largest source of funding-the Eurocur-

rency market. Since its inception in 1969,

the London-based Manufacturers Hanover

Limited has managed international securi-

ties issues totalling \$8.5 billion and has

arranged a further \$53.3 billion of syndi-

cated medium-term loans.

The way to use and invest cash

Nearly \$40 billion is currently entrusted to the Geobankers on a global basis. These deposits take the form of current accounts to concentrate funds for business payments. High-yielding certificates of deposit that offer excellent marketability. Time deposits for long-term investment. And a variety of other deposit accounts for earnings plus liquidity.

GEOBANKING DEPOSIT FACILITIES.

#### GEOBANKING FOREIGN EXCHANGE SERVICES.

The way to stay in command of world currencies.

With a strategic view of the world from offices in key money market centers, Geobankers provide accurate spot and future rate information, including in-depth monthly Currency Profiles compiled in conjunction with the London-based

Henley Centre for Forecasting. And offer timely transactions in every convertible currency. And FOREM an automated monitoring, projecting and strategy-simulating system for foreign exchange exposure

> GEOBANKING CASH MANAGEMENT SERVICES. The way to maximize worldwide assets.

The Geobankers offer a flexible phased approach that accommodates cash management needs, from a simple lock box to a complex multilateral clearing system.

Make Manufacturers Hanover your global credit and operating partner. Contact a Geobanker today.

....Manufacturers Hanover is totally committed to being the global bank for business—a leading lender and a leading operating partner as well."

John F. McGillicuddy

#### **MANUFACTURERS HANOVER** The banking source. Worldwide.

In Europe: Athens, Brussels, Bucharest, Dusseldorf, Edinburgh, Frankfun, Guernsey, Hamburg, Hannover, Lisbon, London, Luxembourg, Madnd, Manchester, Milan, Munich, Oslo, Paris, Rome, Zurich, Worldwide: Argentina, Australia, Bahrain, Belgium, Brazil, Channel Islands, Chile, Colombia, Egypt, France, Germany, Greece, Hong Kong, India, Indonesia, Raly, Japan, Jordan, Kersya, Kerea, Lebanon, Luxembourg, Malaysia, Mexoco, Norway, Peru, Philippines, Portugal, Romania, Singapore, Spain, Switzerland, Taiwan, Thalland, United Kingdom, United States, Venezuela. Headquarters: 350 Park Avenue, New York, N.Y.

Member FDIC

# Boom in Asia Dollar Market Continues; Singapore, Hong Kong Vie for Business

(Continued from Page 7S

or capture the lion's share of new funds flowing into Asian banking centers, remains to be seen. When the tax was abolished, Hong Kong had less than half the dollar deposits of Singapore. If Singapore does not retaliate, Hong Kong is likely to capture more Asia dollars, but there are plans mooted in Singapore to restore its fiscal advantage by reducing reserve requirements, redefining what assets may be counted toward reserves and cutting tax rates on segments of banking income.

In the meantime, the Hong Kong syndication market is growing in strength, and this year has seen further development in syndicated loans denominated in Hong Kong dollars. More than U.S.\$1 billion worth of Hong Kong dollar syndications have been arranged this year, compared with an insignificant U.S.\$110 million in the corresponding Singapore dollar market. The Hong Kong dollar market has slowed down a little by comparison with last year because of the downturn in property values in Hong Kong, but it is still an important capital market that has broadened and deepened the range of deals that can be done in the

colony.

"In the two years 1980 and 1981 alone," a September economic report from the Hong Kong and Shanghai Banking Corp. stated, "property-related companies raised over HK\$10.6 billion" — not far short of U.S.\$2 billion — "through syndicated loans; this was approximately 10 percent more than quoted companies in this sector raised by way of new capital issues. The total Hong Kong dollar syndicated loan volume in the past two years equaled the total volume of new capital raised through the stock exchanges. With the propects for new capital issues having turned gloomy in recent months, the syndication market has now become the major source of finance for large-scale projects."

But 1982 does not show a simple picture of Hong Kong gaining in stature at Singapore's expense. This year, Singapore has overtaken Hong Kong as a foreign exchange dealing center. Daily trading volume in recent months across Singapore's foreign exchanges has averaged between \$7 billion and \$8 billion.

The impetus behind the boom in foreign exchange dealing has come in part from the increased number of foreign banks setting up ACUs and in part from encouragement by MAS, which has been active in the forex markets in its own right, helping to boost volume through its own trading and through the clear signal to the market that it is keen to see more business done.

Clear signals from MAS have been rare over the past year because of the interregnum between the departure of its managing director, Michael Wong Pakshong, in early 1981 and the appointment of a new full-size managing director, Yong Pung How, in September this year. With the personnel problem out of the way, MAS can now be expected to take an even more active role in the foreign exchange markets, and Hong Kong will find it difficult to make up the ground it has lost.

Singapore has also maintained its lead over Hong Kong as the region's center for Asian dollar securities — bonds, notes and, especially, certificates of deposit.

In the established market for Asia dollars,

In the established market for Asia dollars, Singapore has gained this year in currency trading, but otherwise the relative importance of the two centers has not changed appreciably. That picture may be altered over the next year, however, by two new developments.

One is the advent of financial futures in Asia. Hong Kong has been fastest off the mark to enter the financial futures business than either Tokyo — home of several flourishing physical commodity futures markets — or Singapore. In August a committee recommended that Hong Kong should trade four new financial futures contracts that would enable hedgers or speculators to back their judgment on four financial rates — short-term dollar interest rates; short-term Hong Kong dollar interest rates; the Hong Kong dollar exchange rate against the U.S. dollar, and the Hong Kong dollar exchange rate against the Japanese yen. If all goes well, the new contracts could be trading as early as the first half of

Hong Kong's previous forays into the futures markets have not gone well — although, with Tokyo, it is one of Asia's premier markets for spot trading of gold, Hong Kong's gold futures contract is languishing — but there is every reason to expect the financial futures contracts to do remarkably well. They appeal to the small trader or speculator, the face value of the futures contracts has been kept rather smaller than corresponding contracts on the American futures exchanges. That in turn means that users of the contracts have to post a smaller "margin," or deposit, to enter the market.

They have also appeared on the scene at a time when the Hong Kong dollar and the yen have been very volatile in value on the foreign exchanges, and that tends to help the use of financial futures — there is simultaneously greater need for protection against exchange rate changes on the part of traders and greater opportunity to exploit large rate movements and make leveraged profits.

Currency instability is likely to help the two Hong Kong currency contracts. The U.S. dollar interest rate contract is already an established contract in the U.S. and offers Asia dollar holders a quick and local means of taking positions on interest rate moves as well as giving the possibility of arbitrage between Hong Kong and the United States, and the Hong interest rate contract is a wholly new contract that matches local commercial needs.

Hong Kong's futures lead is likely to boost its share of the Asia dollar market. There is little difference between forward foreign exchange quotations and currency futures prices; the two can be arbitraged against each other or one used instead of the other.

Singapore's new-found supremacy in forex dealing may shortly be under siege. Coupled with Hong Kong's abolition of withholding tax, its introduction of interest rate futures may also attract deposits from Singapore, again because of the arbitrage possibilities between deposits and interest rate futures.

There is no doubt that Singapore takes the threat from the new market seriously. A twelve member working party, including an observer from MAS, has started to examine how a futures market could similarly be established in Singapore.

Singapore.

The second factor to affect the struggle for the biggest market share of Asia dollars is Tokyo's awakening interest in establishing its own offshore banking sector.

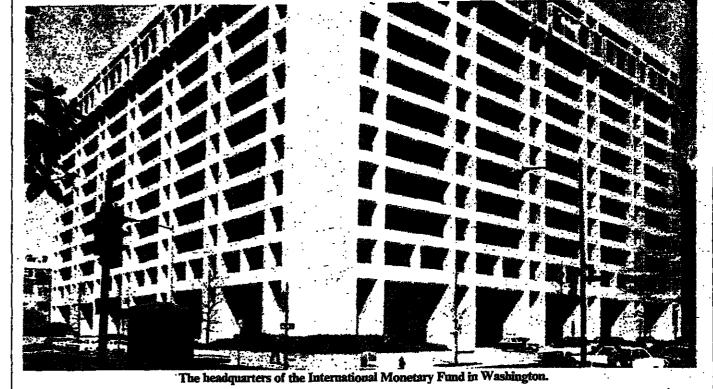
Potentially, this is an enormous threat to the Asia dollar markets in both Hong Kong and Singapore. It is highly unlikely that all three markets could coexist harmoniously; either Hong Kong's offhsore business or Singapore's would be swamped by Tokyo's.

Tokyo already has a dollar market, though it is not an Asian dollar market in the sense of footloose offshore dollars. It is an interbank call market restricted to residents, and holds about \$25 billion in funds. But there is a huge demand for further dollar business. Bankers in Tokyo beleive that if an offshore banking center was established, it would immediately attract around \$100 billion in funds, putting Tokyo on much the same level as New York's IBFs and immediately surpassing both Hong Kong and Singapore. Some of those funds would be diverted from the European Euromarkets, some from the United States. But some, undoubtedly, would also be siphoned

away from other Asian centers.

The advance of Japanese banks and securities houses into international finance has led them to ask themselves why they need to maintain expensive operations in London or other Eurocenters, when they could transact their business far more easily in an offshore enclave in Japan. Foreign banks and houses are equally keen to get a foothold in Japanese territory, and some are banking on further liberalization of Japan's financial markets that will enable them to parlay an offshore license into the domestic market.

There is no clear timetable in Tokyo for the establishment of an offshore Asia dollar market, but there is a strong current of sentiment running in favor of one when the wobbly yen recovers enough to allow it. And then the question is going to change. It will not be whether Hong Kong or Singapore will capture the Asia dollar market? It will be, which will survive?



## THIRD WORLD DEBT AND BANKS

The origins of the problem can be found in the distinction between moneychanging and banking. A bank is a temple and a temple guards the grain. Here is the origin of commercial banking as first practiced in ancient Egypt some 5,000 years ago. Unless multinational bankers are able to come to terms with their source, the global financial systems, notwithstanding the regulators, inevitably will become as fragile as a cobweb in an autumn storm.

By Richard W. Lombardi

PARIS — The word krach, designating a crack in the global banking system, is spreading quickly across Western Europe, after having found its way recently in the Anglo-American press.

in the Anglo-American press.

Bankers are apprehensive of krach. Indeed, when the alarm sounds, one is forced back to the realization that banking is faith not money, confidence not ratios. Clamorous language strikes at the very heart of what banking is all about. The language questions the raison d'etre of the program.

The numbers, however, have forced the issue into the open. The public at large is asking the hard questions about the impact of multinational banking in the Third World. And the questions likely will become harder and harder to

answer unless alternative lending methodology can be devised and accepted by the international banking community.

First the numbers. Most bankers will recall that their capital ratios — borrowed money against shareholder investment and reserves — have more than doubled over the last 10 years, from about 10-to-1 to in excess of 20-to-1.

similarly, there has been a radical shift in the completion of bank assets. Among the top 10 U.S. banks, Third World debt on average exceeds 325 percent of capital and reserves. Claims on non-OPEC developing countries alone now surpass 10 percent of total U.S. bank assets. These claims include neither loans extended to Eastern European countries nor credits to such oil-exporting developing states as Venezuela, Algeria, Iran, and other Third World borrowers. The figures are even more

impressive for a number of major European banking houses.

In the end, poverty in Mexico, Nigeria, or Indonesia now has an immediate impact on the condition of our financial markets in Zurich, London and New York. Until recently, the scenario was different. Prior to the 1970s Third World lending was concentrated in the hands of bilateral and multilateral

aid agencies. The aid agencies were

responsible, almost single-handedly, for promoting the development

into the Third World market as a result of inflationary pressures coming out of the Vietnam War and attendant excess liquidity channeled through the Eurodollar markets. Subsequent OPEC oil price increases redoubled pressure on the banks to serve as financial intermediaries between "the rich

nations and the poor nations."

Today, private commercial banks account for nearly 65 percent of the foreign financing needs of the world's poorest countries. These needs, according to the International Monetary Fund, are projected to increase by about \$125 billion per year for the next three- to five-year period. Already, combined Third World and Eastern European debt owed to Western creditors, public and private, has reached the staggering figure of \$824 billion. At the same time, commercial bank debt currently makes up some 84 percent of total debt service requirements coming from Third World countries.

The commercial banks, then, would appear to find themselves at the eye of a financial storm, a position that most bankers neither anticipated nor cherish. Yet, as a financial disorder of important di-

mension looms on the horizon, the first reaction of many a bank is to withdraw into a smaller universe where the variables can be more easily controlled. The first victim, of course, could be our global eco-

nomic order in its entirety.

Indeed, the financial storm would affect not only the "development process" in the Third World but in the First World as well. For it is not an exaggeration to say that our financial, even political, systems in the West are in many ways tied inevitably to the outcome of Third World economic

The United States now sells more goods and services to non-OPEC developing countries than to the European Community, Eastern Europe, the Soviet Union and China combined. Already, in the United States about one job in 20 in manufacturing exists to meet demand for U.S. exports to the Third World. Similar figures for most European countries are yet more revealing. Common Market countries as a group now export 300 percent more to the Third World than to North America. Ac-(Continued on Following Page)

The author is a banker and author who specializes in Third World development

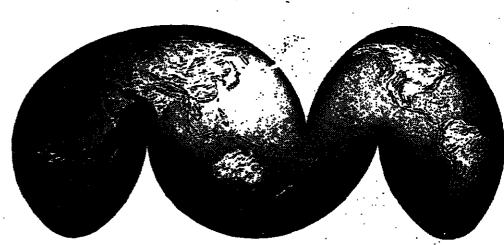
# DOWN TO EARTH

TO KNOW YOUR BANK, KNOW YOUR MAN I DOWN TO EARTH, DOWN TO BUSINESS I WE'VE BEEN KNOWN FOR CENTURIES I CONSISTENT, SOBER, KNOWLEDGEABLE I VERY DUTCH I PATIENT-LY BUILDING A NETWORK I OVER 200 FOREIGN BRANCHES, 42 COUNTRIES, 5 CONTINENTS I AT HOME IN ALL FINANCIAL CENTRES I ADAPTABLE I MOVING IN TO STAY I THE DUTCH BANKER I OUR TOTAL ASSETS ARE NOW OVER \$ 45,000,000,000 I AND GROWING I MEET US IN YOUR OWN LANGUAGE I WHEREVER YOU ARE I

ABN Bank THE DUTCH BANKER

Head Office: Algemene Bank Nederland, 32 Vijzelstraat, P.O. Box 669, 1000 EG Amsterdam, tel. (020) 29 91 11, telex 11417. Belgium; Antwerp, Brussels. Liège. Federal Republic of Germany: Düsseldorf, Frankfurt am Main, Hamburg, Pforzheim. France: (Banque de Neuflize, Schlumberger Mallet), Paris, Lille, Lyons, Nice. Gibraltar. Great Britain and Channel Islands: Birmingham, London, Manchester, Jersey (St. Helier). Greece: Athens, Piraeus. Ireland: Dublin, Cork. Italy: Milan. Spain: Madrid, Barcelona. Switzerland: Chiasso. Geneva, Zurich. Turkey: (Holantse Bank-Uni), Istanbul.

# To invest in Japan like a professional, see Nikko.



Japan's growth is hardly a secret but profitable investing isn't always easy in unfamiliar territory. No doubt that's why so many of the world's leading institutions and international investors use Nikko's proven services.

use Nikko's proven services.
Nikko has over six decades of experi-

ence, an international network, and extensive facilities to research your problems accurately. And our carefully trained personnel will provide the most relevant information for your individual needs to help you make profitable decisions.

An integrated approach to investment and to

Head Office: 3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo, Japan Tel. 283-2211 Telex, J 22410

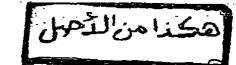
Cable NikOSE TOKYO

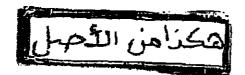
Overseas Subsidiaries: The Nikko Securities Co., (Europe) Ltd.: Nikko House, 17 Godilman Street, London, EC4V 5BD, England Tel.: 1-248-9811 Telex: 884717 The Nikko (Switzerland) Finance Co., Ltd.: Holbeinstrasse 30, 8008 Zurich, Switzerland Tel.: 1-2510050 Telex: 56111 The Nikko Securities Co., (Deutschland) GmbH.: FBC Frankfurter Buro Center Mainzer Landstrasse 46,6000 Frankfurt am Main, West Germany Tel.: 0611-720041 Telex: 416841 The Nikko (Luxembourg) S.A.: 88, Grand' Rue, Luxembourg, Grand-Duchy of Luxembourg Tel.: 42384 Telex: 1348 The Nikko Securities Co. International, Inc.: 140 Broadway, New York, N.Y. 10005, U.S.A. Tel.: 212-747-9800 Telex: 232861, Bank of America Center 555 California Street, Suite 2640, San Francisco, California 9104, U.S.A. Tel.: 415-981-3120 Telex: 034731, 800 Wilshire Boulevard, Los Angeles, California 90017, U.S.A. Tel.: 213-626-7163 The Nikko Securities Co. (Asia) Limited: St. George's Building 19th Floor, No.2 Ice House Street, Hong Kong Tel.: 5-249011 Telex: 73640

Overseas Representative Offices: Paris: 10, Rue de la Paix, 75 Paris 2e, France Tel., 1-261-5744, 1-261-7222

Singapore: Tower 1203. DBS Building, 6 Shenton Way, Singapore 0106, Singapore Tel.: 2233390, 2233398, 2231927 Telex: 35089 Sydney: Exchange Center, 28th Floor, 10-20 Bond Street, Sydney, Australia Tel.: 233-7166 Telex: AA71618

Bahrain: 7th Floor, Unitag House, Government Road, Manama, Bahrain Tel.: 271098 Telex: 9619 NIKOSE BN





# East European Debt: To Many a Bullish Western Banker, the Issue is Rescheduling

By Ian M. Gummer

TARIS - American and West European I banks in particular have poured loans into Comecon countries over the past decade in the belief that it was a growth area for business and that if any debt problem should arise it. "umbrella" — the Soviet Union — would open and cover the debt of any of its wards

at found itself in trouble. Soviet financial custodians, however, have troubles of their own, and despite reports in the West of an increase over the past year in sales of gold to raise foreign exchange, the Soviet Union has tied a knot in its purse-strings that it unties with eagerness only to put bor-

nowed cash into the bag.

Last year the Soviet Union increased its debt to the West by \$6 billion, to a total of \$19.5 billion, according to the United Nations Economic Commission for Europe. With for-eign currency requirements of this magnitude, for grain imports and purchases of equipment abroad to exploit natural gas reserves, the Soviet Union has been a reduced lender to Poland and Romania.

East European member countries of Come-con — the Council for Mutual Economic Assistance made up of the Soviet Union, Poland, East Germany, Hungary, Czechoslovakia, Romania, Bulgaria, Cuba, Mongolia and Vietnam—owed Western and Japanese banks and institutions a total of \$80.7 billion at the end of 1981, up from \$72.4 billion in 1980, according to the Economic Commission for Europe. Of the 1981 total, Poland headed the East bloc league table with debt to the West

amounting to \$22.4 billion - well ahead of the

\$19.5 billion owed by the Soviet Union, which,

because of its vast size and wealth of resources.

is in no way financially comparable to Poland. Next on the list is East Germany, with \$11.3 billion of debt, followed by Romania with \$9.6 billion owed to Western countries.

The increasing Comecon debt, accompanied by requests for rescheduling, caused bullish Western lenders suddenly to draw in their horns, and loans to Eastern Europe this year have practically dried up apart from small credits granted to the Soviet Union, Yugosla-via (which is outside the Comecon bloc) and

Hungary. Comecon countries have been sorely affected by the recession in the West, worsened terms of trade with the Soviet Union and higher costs of oil, even though East European oil-importing countries benefited since 1975 from

This year, however, Soviet oil is costing Comecon importers about 30 percent more because the Soviet Union has raised prices in accordance with an agreement under which prices are set as an average of world prices during the previous five years. The second OPEC oil price shock of 1979 is now beginning to affect

the East European bloc's oil importers.

Hungary is an exceptional case among the Comecon countries. It joined the International Monetary Fund this year, the second, after Romania, of the East European bloc countries

However, Hungary remains somewhat tainted by the same tarbrush as other Comecon countries, a Western banker remarked, even though it is considered a better risk than most. It has shown small trade-balance surpluses in the past two years - \$221 million in 1980. a sharp turnaround from the \$400-million deficit

The country also produces about one-lifth of its needs in oil and receives the rest of its supplies from the Soviet Union at prices lower than those on the world spot market, paying in rubles and a small portion of hard currency.

Hungary leads the Comecon countries in allowing a degree of private enterprise and in reducing centralized decision-making in economic matters. It has made successful efforts to get its economy into shape and cautiously open it to world markets, but some Western bankers are beginning to feel nervous about the country's debt of \$7.8 hillion in 1981.

"The situation is manageable for the present." a West German banker commented, "but we don't want to see another Poland. It's a good thing that Hungary is now a member of the IMF."

One East European country that is a cause of great concern to Western bankers is Romania, less because of its \$9.6-billion debt than because of the Romanian government's clumsy dealings with the banks. For several months last year, while arrears on interest payments were building up, the government refused to recognize that it was in difficulty or to meet Western bankers to talk about it.

A decade ago Romania was self-sufficient in oil and, until 1974, world oil prices were low. The country, therefore, invested heavily in oilrefining and related industries, which it found necessary to prop up after expected increases in domestic production failed to materialize

and world oil prices quadrupled.

Romania found itself buying costly oil to feed its refineries while demand for its products began dropping as the recession in the West deepened. The Soviet Union had reportedly refused to ease Romania's dilemma by

supplying lower-priced oil. Romania had 53 billion of debt to reschedule this year.

Debt servicing by the East European Come-

con countries as a bloc amounts to about onethird of export earnings, and Western bankers fear a rise in that ratio as the world recession

continues with no signs of an improvement. Bulgaria, with debt last year totaling \$2.3 billion, and Czechoslovakia, which owed \$3.6 billion, are considered to be lesser risk prob-lems, but East Germany, with \$11.3 billion of debt and about \$1 billion of interest to pay this year, has caused jitters in some Western hank head offices.

The West German economic research institute DIW noted on Aug. 11 that the withdraw al of Western banks from lending to Eastern bloe countries could cause difficulties for East Germany, whose industry has been slowed by reduced supplies of raw materials from the Soviet Union and exports to the West that have fallen short of targets.

But the biggest problem of them all is Poland. Poland's financial plight has come to the attention even of readers of popular tableid newspapers as part of the country's continuing social and political drama. Its external debt totaled \$22.4 billion in 1981, according to the Economic Commission for Europe.

Chase Manhattan Bank's David Rockefeller can hardly be blamed for saying some 20 years ago, as quoted by Martin Mayer in his book "The Bankers": "In terms of straight credit risk, the presumption is that there is a greater continuity of government in certain socialist

states than in non-socialist states."

Nobody could have foreseen the extent of the present crisis in Poland, which has always been unique in the context of the Comecon grouping with rich mineral resources such as coal, copper, zinc, sulfur and silver, Industrially, however, the country has remained in the 19th century and Communist central planning and a high degree of mismanagement has done

nothing to help the situation.

An economist at Bank of America, Gabriel Eichler, warned in 1975 that unless there were radical changes, "Poland will find itself facing severe financial and economic problems." Edward Gierek had already, in 1970, taken over as premier from Wladysław Gomulka following riots over food shortages, and tried to get the economy back on its feet through help from Western banks.

The banks were all too eager to dispose of their Eurodollars and the lending flowed in. Poland's foreign debt doubled in the four years up to 1980.

By February 1981, the Royal Institute of International Affairs in London was warning, too late, in a paper written by Richard Portes ind quoted in Anthony Sampson's book "The Money Lenders," that Poland had "a combi-nation of wildly over-ambitious, gravely flawed, voluntarist economic policies; incompetent planning and management, and an es-pecially unstable body politic."

The horse had, however, escaped from the stable, and the Western bankers who began slamming tight the bolts to the door were behind the times.

Among the banks most involved in lending to Poland were the West German banks, which were encouraged to as part of Bonn's Ostpoli-ik. A good part of the lending, although bankers claim they can not estimate it, was done through some of the 29 subsidiaries of West

and the second s

ng 1 day yang kepada dan kepada d Tigan dan kepada dan k

German banks in Luxembourg West German bankers in Luxembourg vociferously deny that they were pushed into lending to Poland. Be that as it may, one banker admits that "one big loan was granted to Poland just five months before the crisis started, a foan of 800 million Deutsche marks wholly provided by banks in Luxembourg and

principally by German banks here." Many of the West German bank subsidiar ies in Luxembourg declared zero not profit for last year because they had put their profits into reserves against possible losses, the principal risk being Peland.

The general manager of BHF-Bank International in Luvembourg, Ruediger Renne, said recently: "If we get the money back from Poland the III was because the III was bea land the [Luxembourg] tax authorities will get their money back, but to be quite honest I can't see that happening in the next 10 years when I look at the political and economic situation in Poland."

On September 14, the Polish government announced that it had agreed to reschedule its debt with 501 commercial banks in an accord similar to that covering last year's debt. About 95 percent of Poland's debt of \$2.3 billion in principal due this year will be spread over eight years, with a four-year grace period. The remaining 5 percent would be paid this year

Two-thirds of the \$1.1 billion owed in interest will also be paid this year, the Pelish government's chief spokesman. Jerzy Urban, said. Half of the debt will be left oack by the Western banks through credits over three years. Mr. Urban said. The remaining onethird of the \$1.1 billion dollars will be paid

## Creditors: North American Lesson

(Cootinued from Page 78)

ig and

commercial

tional banker

tunding the

ion looms on the lag eaction of man ale

the variables one

arse, could be on the

e maer in Its come

deed the funde

ant process make

a but in the Frei.

For it is not all age

ा किया एक विकास है।

a. Selens n 他师

s was had make

... Unite 3<u>18</u> -

e end ud and

A Constituting one

to Furtherm Comes.

income, the Sough

CO CONTRACTOR AREA

(ad NEw ander

and the between the

นกล์ (ชได้ 👼

Wester Santa

് പ്രാസ്ത്രം രജ്ജ

ែកនេះជា Ω⊏

THE STATE OF STREET

percent more all totals to Netter

Continued on Foliat

12 - - 1. 1. 1 - - 1. 12 -

្⊨ចលក់ស៊ី

one of Third Works

company and its lenders have agreed that interest payments on \$450 million of the debt - with i, the rate pegged at 2½ percentage points above the U.S. bank prime lending rate — will be deferred un-til June 1984. Meanwhile, the other \$300 million is to be repaid directly with receipts from GHR's oil and gas sales, which reportedly run about \$12 million a month.

Paribas also is owed \$16.6 million by Wickes Cos., a retailer and manufacturer that is the largest American company ever to seek protection of the bankruptcy laws. But that was a smaller amount than that due four Canadian and a number of U.S. banks.

In another case, AM Internactional, a maker of equipment for photocomposition, engineering graphics and similar products,

- filed for protection from its creditors under Chapter 11 of the U.S. bankruptcy law in April. It had \$141 million in bank loans, virtually all unsecured, and its largest lender turned out to be Westdeutsche Landesbank, at \$26 milwas not part of a \$115-million package involving 20 other banks.

AM International had fallen behind its competitors technologically and tried to catch up rapidly. It took on large new debts for a series of acquistions that did not pay off. Later it was forced to sell off more than half of its 10 divisions, taking large writedowns as a result.

The banks that lent money to GHR are incurring losses because interest is not being paid currently on more than half the principal. With AM International, the lenders could get back only a small portion of what they lent.

In a Chapter 11 proceeding, the banks and the Canadian governcompany is under the protection of the federal courts and creditors must seek payment of what they are owed through the court. The

company can keep operating in hopes that the postponement of having to pay its debts will give it enough breathing room that it can stay in business.

The creditors, in the meantime, try to persuade the court to have the company follow whatever course the creditors believe will result in the largest repayment to them. The process often is both time-consuming and costly for the creditors, some of whom often would prefer quick, outright liquidation of a company rather than a lengthy attempt at reorganization while the company keeps on losing money and reducing the amount ultimately available to the credi-

tors in a liquidation. These problems come in all different types and sizes. In Canada, where Dome Petroleum is in difficulty because of the \$4 billion in debt it took on to buy Hudson's Bay Oil and Gas, European and U.S. banks are at odds with the -company's four primary Canadian

with the Canadian government's express desire to end foreign ownership of much of its petroleum industry, the government is prepared to give Dome a hand. But the first proposal, in the opinion of the foreign lenders, was, in the words of one banker, "one of the most incredible documents the banks in the syndicate had ever seen. It expressly disregarded our contractur-

ment." That situation must be resolved within no more than 90 days, the banker added, or else Dome will be in default on some of the loans.

In the United States, Chrysler Corp. and Lockheed Corp. both got federal government loan guarantees in recent years. In Canada. Dome has the promise of government help. Beyond those, however, few companies have any prospect of a helping hand from government. The Reagan administration, with a strong free-market orientation, is reluctant even to consider a bailout.

As the continuing recession takes its toll of companies, the for-eign lenders are "seeing how a free market operates," says an official of a money center bank that often is in syndicates with European banks. They came into our mar-ket like gangbusters using better credit terms, lower fees, thinner spreads, That's the way you break into markets." he said.

"I don't feel they are suffering proportionately any more than we are, but they are as we are," the U.S. banker noted. "The United States is a tough mar-Since the acquisition was in line ket, maybe the toughest in the world. After all, if a company can't make it here, it goes bankrupt. In other markets, the government steps in either directly or indirect-

A counterpart at another U.S. bank added: "Some people here were concerned that the European banks might cut and run at the drop of a hat ...leaving the U.S. banks to act as lenders of last real rights. Our reaction was immediate and fairly strong, and now it is back in the laps of the Canadian behaved very well."

cordingly, trade ties and investment patterns were forged, in large part, with borrowed bank money. most of it from the Eurodollar

markets. Given the size of Third World debt, the public is wondering aloud why the banks became involved in the first place in such a delicate venture. The corollary question being posed by most people on the outside is whether the big multinational banks now have the staying power to work themselves out of the current dilemma?

The same questions are being posed by bankers, by bank regulators and by the international agencies responsible for the development process. The major issues were identified in a recent special Task Force Report put together under the aegis of the World Bank The central issue was left aside. The central issue deals with the

and the International Monetary Fund. The report itself confronts the issues of non-concessional money flows to developing countries, that is, bank credit. The highlights that were brought into focus included the size and complexion of Third World debt, capital inadequacy within the banking system, in-house country limits or concentration of assets, the elastic-

projected borrowing needs. The report concluded that the banking system as currently operating was quite capable of protecting orderly economic growth for the balance of the decade.

ity of the Eurodollar market and

In its analysis, however, this Joint Ministerial Committee Report addressed only the topics of banking mechanisms and ratios. The central issue was left aside.

purpose of multinational banking the massive build-up in domestic

Third World Debt and Banks: A Problem Not to Be Ignored

in the Third World. When the public asks why the big banks became so heavily committed in the Third World, the response is not simply the profit motive, nor inflation, nor keeping up with the needs of existing corporate clients. These answers are obvious. Intuitively, the public is asking a more basic question. As it turns out, the question has not been posed by the banks, nor by the bank regulators, nor by the blue-ribbon banel making up the

Task Force under review. The question has to do with the purpose of Taird World debt: On what has the money been spent? Looked at from this angle, we are back to the raison d'être of the pro-

The answer is neither obvious nor particularly flattering. With

and in Euromoney markets, the large, multinational banking houses have come to define themselves firstly as "money center banks" and, more recently, as "financial service industries." There is a brokering element here that denies the very purpose of a bank itself. The excessive number of countries currently in payment default (40 at last count) would indicate that. particularly in the Third World. bankers have not been lending

money; rather, they have been

fication and sales has been sepa-

"turning money." The very term "recycling" speaks of moneychanging not investment. The element of moneychanging has influenced marketing strategies and the division of labor within our largest international banks. The function of loan identi-

conceived foreign borrowing has resulted in violent domestic inflation, a deterioration in the quality of local investment, and, finally, eventual rupture of off-shore credit

or lending in its proper sense. This

division of labor, this shift in em-

phasis - and responsibility - ac-

counts for a number of the abuses

that we have seen in the Third

World lending patterns of the ma-

then that those countries that have

experienced the fastest run-up in

external private bank debt have

had likewise the most turbulent

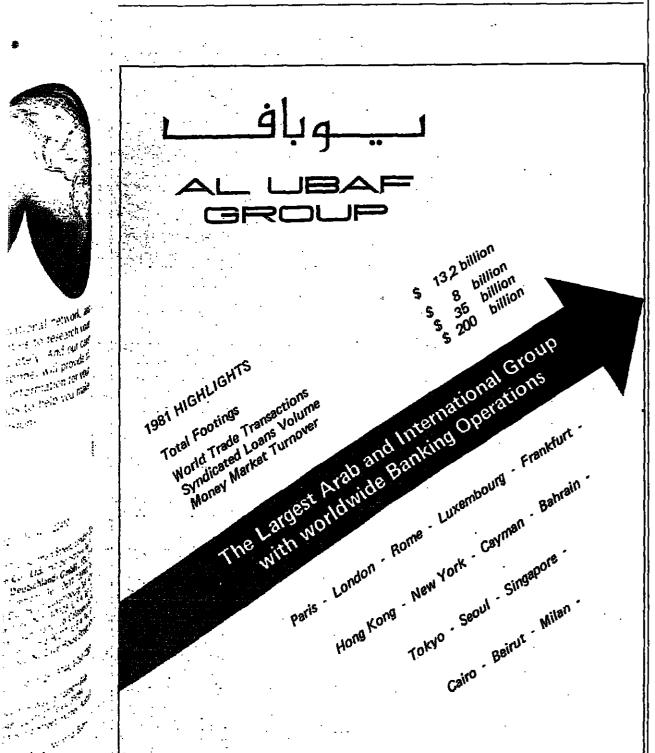
domestic economic problems. In

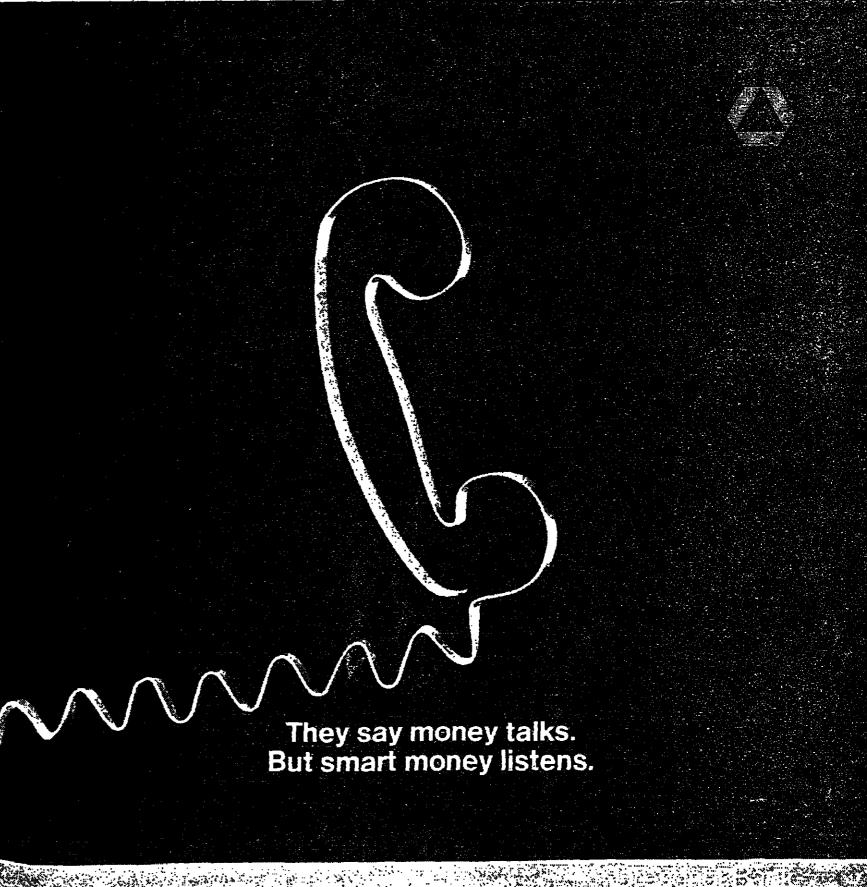
more than a few instances, poorly

It should not come as a surprise

jor multinational banks.

for future growth. The case studies In the Third World, inability to (Continued on Page 13S)





Bank with imagination

Dresdner Bank AG - One of the leading banks in the world. Dreadner Bank AG · Head Office; i Jurgen-Fonto-Plate, 6000 Frankfurt/Main, Federal Republic of Germany.

# A leading French bank and one of the world's largest full-service banks.

Société Générale is a full-service bank present in 66 countries and providing a comprehensive range of commercial and investment banking services. Over the past years, Société Générale expanded

its activity in the international financial market and, in 1981, lead-managed 11 Eurobond issues and co-managed 85 for a total of US \$ 818 million and US \$ 5,271 million, respectively. In the first nine months of 1982, it lead-managed 18 issues for an amount of US \$ 1,190 million.

Société Générale Strauss Turnbull Ltd. (S.G.S.T.)

maintained an active market in all issues led by Société Générale.

In 1981 and the first nine months of 1982, Société Générale acted as lead-manager for the following issues:

Gaz de France,	US \$ 80,000,000	(1981-1986)
E.D.F.,	US \$ 125,000,000	(1981-1988)
S.N.C.F.,	US \$ 75,000,000	(1981-1991)
B.F.C.E.,	F.F. 500,000,000	(1981-1986)
RENFE,	US \$ 100,000,000	(1981-1989)
Société Générale,	US \$ 100,000,000	(1981-1991)
Dome Petroleum,	US \$ 75,000,000	(1981-1988)
Province de Québec,	Can \$ 50,000,000	(1981-1987)
Province de Québec,	Can \$ 50,000,000	(1981-1987)
Sté d'Hypothèque Procan,	Can \$ 35,000,000	(1981-1986)
G.M.A.C.	Can, \$ 75,000,000	(1981-1987)
Sté d'Habitation du Québec,	Can. \$ 50,000,000	(1982-1988)
Banque Nationale du Canada,	Can. \$ 50,000,000	(1982-1988)
Ville de Québec,	Can. \$ 25,000,000	(1982-1987)
Fonds de Réétablissement		` '
du Conseil de l'Europe,	ECU 25,000,000	(1982-1990)
Istituto Mobiliare Italiano,	US \$ 50,000,000	(1982-1992)
Province de Québec,	Can. \$ 50,000,000	(1982-1988)
Dome Petroleum,	US \$ 50,000,000	(1982-1989)
Ville de Montréal,	US \$ 100,000,000	(1982-1992)
Nacional Financiera SA,	Can. \$ 50,000,000	(1982-1987)
Province de Québec,	Can. \$ 50,000,000	(1982-1989)
E.D.F.,	US \$ 100,000,000	(1982-1989)
C.N.T.,	US \$ 275,000,000	(1982-1990)
S.N.C.F.,	US \$ 150,000,000	(1982-1988)
Sociétés de Développement Régional,	ECU 30,000,000	(1982-1992)
Gas Metropolitan,	Can. \$ 20,000,000	(1982-1990)
G.M.A.G.,	US \$ 100,000,000	(1982-1988)
Province de Québec,	Can. \$ 50,000,000	(1982-1988)
Fonds de Réétablissement		•
du Conseil de l'Europe,	ECU 30,000,000	(1982-1992)

# **© SOCIÉTÉ GÉNÉRALE**

French and international bank

Head Office: 29, boulevard Haussmann, 75009 Paris. Tel. 298.20.00.

# urkev



If it's your business to do business with Turkey, there's one thing you need more than anything else:

A source of regular, accurate information. With Turkey's economic recovery now well under way, this is even more important

That's why you should make sure you get a copy of the Yapı-Kredi Quarterly Economic Report.

It's a highly informative guide to the underlying trends in the Turkish economy, and we'll be happy to send it to you regularly. free of charge.

We can also let you have any of our other English-language publications about specific aspects of Turkish business and law.

Yapı-Kredi is one of Turkey's largest private banks, with 593 branches all over the country. We can tell you everything you'd expect

a major commercial bank to know about its home country. And with offices in New York, London, Zurich and Frankfurt, we speak your language as well as ours.

Please write to Dr. Metin Berk, Vice-President. Yapı-Kredi Bank, Korsan Çıkmazı No. 1. İstiklal Caddesi, İstanbul. Telex 24279 yaum tr.

Or call YKB at one of these numbers: New York 751 1135, Zurich 211 9322, Frankfurt 23 33 95, London 628 2907.



**EUROMARKETS** 

# Leutwiler: BIS Chairman Feels Nations In Heavy Debt Must Cut Down Growth

ZURICH — In 1948 a 24-year-old student left the University of Zurich with a doctorate in hand, achieved for a thesis with the uninspiring title "Wage Differentials in Switzerland," and with the ambition of making a career as an economic journalist.

Two decades later, the former student, Fritz Leutwiler, had become a member of the governing board of Swiss National Bank. Six years further on, he was named chairman of the Swiss National Bank's board and a member of the board of directors of the Bank for International Settlements in Basel. On January I, 1982, he became, while retaining his position at the Swiss National Bank, chairman and president of the BIS.

The Bank for International Settlements is known as the central bank-

Relaxing in his office in Zurich, the 58-year-old chairman told a visitor: "It has been a very boring career, you know; a very boring career, not at all fascinating."

"I never wanted to join a bank or a central bank, never," Mr. Leutwiler said, but in the late 1940's "it was very difficult to find a job." His connection with banking began "for want of something better," he

In his student days the chairman had written a few articles for specialized publications "to earn a bit of pocket money," he recalled. He had wanted to join industry or some private company, "but at that time they didn't want economists, they didn't know how to use them." he said.

"Then I got the chance of becoming secretary of the Association for a Sound Currency in Zurich, a kind of semi-official body sponsored partly by the Sprice Neticonal Bank."

by the Swiss National Bank," he went on. "The association had a press service and I became the editor and wrote for the press service. Then in 1951 I took a year's leave of absence

to go to London for training at Swiss Bank Corporation, and then Swiss National Bank offered me a job as a research economist."

Mr. Leutwiler said with a wry smile: "That's how I joined Swiss National Bank. It was never my professional intention, but I stayed, and now I've been here 30 years. And remember, at that time I was a small fish and didn't know what would become of me at Swiss National Bank.

ism, but for personal reasons I turned it down and came here."

Mr. Leutwiler said Swiss National Bank is governed by a triumvirate that has full powers for directing the Swiss economy without any form of interference from the government.

There was a lot of competition. I also had an offer for a job in journal-

"One of the three should be either French or Italian-speaking, belonging to a linguistic minority, one should be Roman Catholic — all this is not written law, but it's an understanding — and then there is another member at the moment, myself, who is neither French-speaking by birth

"I am neither French-speaking nor Roman Catholic, and it's not so easy and it needs a certain favorable constellation of someone like myself to make it up to the top," Mr. Leutwiler said. "I am neutral, a Protestant by origin. I'm German-speaking. I just want to indicate that we have some capable people here who could make it up to the top, but they have the wrong background."

This can hold some approach back in their capacit, the chairman agreed.

This can hold some people back in their careers, the chairman agreed, and "could allow someone who is not perhaps exactly as capable to get to the top just because he has some qualities that are needed by this

an written rule."

As chairman of the governing board of Swiss National Bank, Mr. Leutwiler is first among equals, although with typical modesty he insisted that all decisions are taken by agreement among the three members of the board. He allowed, reluctantly, that as chairman and with a presence in the central bank for 30 years, his voice might carry more weight than that of the other two board members.

As chief supervisor of the BIS, Mr. Leutwiler has an overview of lending and depositing among central banks. He also presides over meetings of central bank governors, especially the group of 10 leading industrialized countries, and once or twice a year over other central bankers. And BIS, with his involvement, acts as a meeting place for contracts between East European countries, central bankers and those from West-

On the subject of loans for developing countries and the role of BIS in assessing the risks of default, Mr. Leutwiler said: "It is exactly our intention to avoid a situation in which countries declare default, but how far we can go is not quite clear." He said that the BIS could act as a first aid and provide short-term loans.

He said that central bankers were studying ways in which to improve the flow of information, and he was pleased that commercial bankers are meeting to try to establish a communications system that would provide early warning of impending financial problems in developing countries.

In May 1982 international bankers met at Ditchley Park, near Oxford, England, and again on Oct. 26 and 27, in New York, to consider what

some cases might not be repaid. The North American, European and Japanese bankers are trying to set up an institute that will gather and transmit information about countries that are major borrowers on the international financial markets. It is late in the day, as some bankers privately admit, and creation of the

institute is a matter of months rather than weeks or days.

FRITZ LEUTWILER: 'It is exactly our intention to avoid a situation in which countries declare default, but how far we can Now commercial and central bankers are searching for a system of communications that would prevent a repetition of the foreseeable Polish financial problem and the unexpected shock from Mexico. The difficulty is that commercial banks have no institution for such a network and that they are very numerous, Mr. Leutwiler noted.

The key to the problem is in the hands of the debtor countries, Mr. Leutwiler asserted. "Mexico, Argentina, Brazil and others — they must take the measures to put their own house in order" be affirmed. "You take the measures to put their own house in order," he affirmed. "You, have to cut down growth, and one can say that this is not possible in accountry where the large part of the population already has a low standard of living. I know there is much hardship involved, but I don't see

"We are working on various scenarios, with a view to setting up mech-anisms in the case of a crisis in which one country, or even worse, several, were to default," he added. Asked why it has taken so long for central bankers to think of setting

up a communication system that would warn commercial banks against racing headlong into loans to a financially doubtful country, and why, indeed, the banks themselves were not better informed, Mr. Leutwiter said: "In the early seventies governments and central banks were quite happy about commercial banks doing the recycling in a very elegant way. We probably underestimated the future difficulties, but on the other hand what could we have done if we thought banks were going too for in their leading to certain developing countries?

far in their lending to certain developing countries?

"Are the central banks better placed, so we have more information, than the banks, so that we can tell them, now this is the limit.' We are not in a position to do that. Central bankers were not as close to the front line as the commercial bankers. What supervisory authorities could do was to advise the banks in terms of their exposure as against their

Mr. Leutwiler's term of office as chairman and president of the BIS is three years, and while "nobody can foresee the future," he said he expected to carry out his mandate.

He offered another hint, noting that "everyone at Swiss National, Bank, from doorman to chairman, has a compulsory retirement age of 65." It can be assumed that Mr. Leutwiler will continue to be a major international figure on the financial scene for at least the next seven

# Women in Finance: Trading and Arbitraging With Ease on the London Futures Exchange

By Stephanie Hanbury-Brown

L ONDON — Find your way through the fog of male dominance still swirling around the world of finance, to the heart of the City of London. Negotiate yourself past the red tape and security draped across the enterprise the Perul Evaluate in the London. trance to the Royal Exchange, into the London International Financial Futures Exchange. Then elbow your way through the pin-striped suits and jackets of all the colors in a child's tube of chocolate beans, right up to the Euro-dollar trading pit. You should see one or two

On the last stage of your "pilgrimage" you may have heard a female voice among the barnyard frenzy that passes for "open outery" trading. You may have noticed, too, another female from may have indiced, too, another female figure on the fringe of the activity mak-ing wild gestures with her fingers and thumbs: she is relaying prices to a telephone clerk some yards away. Look hard and you will see other women trading and arbitraging with ease and authority.

Women are an important part of LIFFE. Whether their numbers will ever approach the 30-percent level in some U.S. concern is an

months has already distanced itself from the stale, notoriously nonfemale London Commodity Exchange, and looks set to leave that other bastion of English male tradition, the

London Stock Exchange, trailing in its wake. So far, women in LIFFE have found their male counterparts pleasingly ready to accept them as colleagues and competitors. A trading floor supervisor with a big commercial bank said: "Whatever discrimination there was soon died a quiet death when the men realized I was there to do the same job. Very occasionally I'm confronted by 'the trading floor is no place for women' sort of old fossils, but they are not too difficult to cope with. I pat them on the shoulder and tell them not to worry about us. We are grown-ups,' I say."

Another floor supervisor, with a commission house, said: "LIFFE's attitudes to women are active that many attentions and the said of the said."

neither better nor worse than many other sectors of the City. They are all behind the times to one degree or another, but the important thing here is that on the trading floor, women have a chance to reach more responsible posi-tions than they ever did in, say, a dealing

As yet there are only a few women actually trading in the pits. "At first I got some curious looks," one of them said. "Some men were quite surprised, but their eyebrows soon came down. Being female is no drawback to executing orders, nor to trading with flair - in fact it has advantages. A woman's voice is heard more easily over the din. Some of the male sopranos are aware of it, too."

There is no great secret about being accept ed into an overwhelmingly male community. Women know very well that, male or female, if you do a good job, respect will follow. The only difference is that women still have to spend more time earning it. Attitudes are nanging, but slowly.

LIFFE is a marketplace in the public eye.

and the women who are part of it are suitably ... proud - no more, no less. Certainly they have an opportunity to prove that they can competed on equal terms with men in a modern financialmarket — and enjoy doing so. No doubt some' will show themselves to be better.

The author is a client adviser with Rouse Woodstock Ltd., London.

#### Fear Slows Down Debt Relief: Poland's Case Became Decades of Growth Landmark, Led to Procedure Lines

(Continued from Page 8S) is in everyone's interest that a mutually agreed upon solution be found to restructure the existing debt burden --- consolidate the

debt and stretch out the payments This does not mean that banks will suffer no losses.

As for rescheduling the public sector debt, analysts worry that just as the borrowers were in the driver's seat seeking new loans they are now in the driver's seat requesting rescheduling terms because the lenders have more to lose than the borrowers. If a major country defaults one or more big banks are likely to go bust, but the country will not disappear from

Successful rescheduling of course, assumes that an economic revival in the industrialized countries will enable Third World debtors to export and earn the foreign currency needed to service the debt. But that revival is nowhere in sight, raising the specter that res-cheduling the debt will not solve the problem but just postpone it.

(Continued from Page 95) where they come from will depend on what our role is in any particular situation.

"In some problem-asset situations our role may well be passive - at which point we might have a member of our division plus a member of the appropriate line di-vision just attending the formal meetings, taking notes.

"In other situations, we would expect our role to be considerably more active either because of historical circumstance or the size of our exposure. In that event, one of the senior members of this division would head a team that could very well consist of an economist, political scientist, lawyer and bankers."

Mr. Schirano says the basic skill for any member of his team is "heavy, solid credit skills." Beyond that, he looks for people with "good negotiating skills, people who are practically oriented, who know their own bank very well and who hopefully have had experience

dealing with multi-bank-type situa-

"Preferably," he adds, "people who had a foundation in the law. People who can think on their feet and act independently. You also have to have people who can express themselves - present a point of view forcefully, clearly and yet at the same time not alienate themselves from people who is some cases may be in competitive situations but with whom nonetheless one has to work together.

"Decisions made in one part of the world are going to affect decisions made in another part of the world and it seems to us to make no sense to have one set of people dealing with a Poland and another set of people dealing with a Mexi-co when bank position, bank poliis being set in the handling of both of those things.

"We hope other institutions would put together a group of people with whom one could obtain continuity. It's a lot easier to work

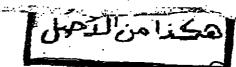
with the same people in various situations than to work with a whole-bunch of new faces in totally diverse situations.

"If we're going to be involved in. these things, you're going to see a pretty much the same set of faces.

You know where we're coming ... from; you know a lot about us; whether you like us or not, whether we're good people or had people, but at least there's know.

Underlying this repeatedly expressed desire for continuity in negotiating teams and strategies is the expectation that this will build mutual respect and trust between banks, will result in a more professional atmosphere and eliminate the grandstanding, the squabbling. the name calling and the dissen-sion that marked the first Polish

- CARL GEWIRTZ



Morris is another example of a

company whose reputation in Eu-

rope far exceeds its humble single-

in U.S. corporate borrowing? Not only is the answer no. but it is ac-

tually likely to increase. Coca-Cola, Warner Lambert, General

Electric Credit and General Foods.

all rated triple-A or double-A,

have only recently floated new is-

sues. With companies of this cal-

iber electing to go into the Europe-an market, others will surely fol-

In the tables below it is interest-

ing to note that more than 50 per-cent of all U.S. corporate issues in the first nine months of 1982 were

rated double-A or better. The for-

mer label of being a second-class citizen can no longer be applied in

the Eurobond market. U.S. corpo-

rate treasurers who have not con-

sidered the Eurobond market, and

these are surely a minority, are

At a recent conference in New

York, the chief financial official of

one of the United States' largest industrial corporations publicly stated that "any major U.S. com-pany which has not established an

offshore linancing subsidiary to take advantage of borrowing op-portunities in the Euromarkets

should take immediate steps to do

While 1982 has broken every

record for U.S. corporate borrow-

ing, analysts have said they expect

this volume to be surpassed again

being shortsighted.

Is there about to be a slowdown

A credit rating.

# **EUROMARKETS**

# Return of U.S. Presence in Euromarkets Follows Marked Rise in Competitiveness

By Ian M. Kerr

 $0\eta_8$ 

on of the formality

k from Meuce Reg

tation for each a usq

the debier comment

h and others - the E.

order. he allamit

and the to the people.

in careacy has along

o in Made on inche

よりである。 記述理事業

€ 4.415.67 of 5.51<u>10</u>

Balanton in the Sales

. २००७:कटावारी <u>वेटके</u>डू

ं प्रदर्शन ज्यात् स्रो

: informati Males.

وتحاشينا أدااوون لل

remaining in a votes are difficulties was

ought basis verag

we have more along

क्षात्र ५०० आधिकार्य

And the Land of Miles

1.9 工程 集成

tion and No. 27

The second of the second

Table of Clarkers

the district when

Contract of the second

-INVERTE

1 Dotted

T ONDON - U.S. corporations are no strangers in the Euromarkets. They arrived in 1965, multiplied in 1968/'69 as U.S. cap-ital outflow controls forced them to finance abroad their foreign in-testments and pulled out of the market when the controls ended and domestic borrowing costs moved back in their favor.

Tempting the major U.S. corporations to return was a major prob-lem. They considered the Euromarkets to be too small and too expensive. The Euromarkets were entially a source of funds to be considered as a last resort.

Times have changed. Gone are the days when astute portfolio managers in the United States could swap from a domestic into a Euromarket guaranteed by the same company and pick up 150 basis points in yield. As long as such unrealistic anomalies existed the Euro-sector was a lender's mar-

In the mid-1970s U.S. corporate primary volume in the Eurobond markets dwindled to a trickle because it was cheaper to borrow at home. U.S. corporate treasurers mistrusted overseas markets, disliked the high issuing cost in Europe and retained a natural prefer-

ence for domestic borrowing.

The Eurobond market had to become more competitive. That it did so was probably not part of a brilliantly conceived strategy; but er intention to mil. neither was it by default. Looking back at this formulative period, the revival of U.S. corporate borrowing in Europe can be attributed to a number of factors, many of which were not directly related.

Some of these factors were: • The yield spreads that existed hetween domestic and Euro issues in the mid-1970s were gradually eliminated by natural arbitrage.

• U.S. witholding tax on inter-

est payments was not, and still has not been, abolished.

 Monetarism became the key determinant for controlling the Western world's economies, which turn created unprecedented volatility in the financial market.

• The consistent widening of the U.S. balance of payments deficit increased the government's borrowing requirements to a point where corporations occasionally

found themselves totally excluded.

• As the Eurobond market developed in stature, the size of new issues in the primary sector increased. Single-tranche loans of \$100 million soon became com-monplace. The largest single issue to date has been \$750 million for ್ರೀಯಿ ಕಾರ್ಯ≇ಚಿತ್ರ

 As the domestic market contracted. U.S. corporate treasurers a divinents is main became less parochial and recognized the need for alternative er forure bestätt

sources of financing.

• Having identified the Eurobond market as the second largest source of fixed-rate dollar funds in the world, U.S. corporate treasur-ers discovered that international investors had an almost insatiable appetite for investment grade U.S.

Demand for top-quality U.S.

The author is an executive director Kidder Peabody International corporate names reached a level term bonds had resulted in short-term losses. able to price Eurodollar bond issues through similar maturity U.S. treasuries. In the domestic market

this would have been impossible. The Eurodollar market has been considerably more innovative than its domestic counterpart. U.S. corporate treasurers found that "concept" loans could be completed easily in Europe when conventional domestic financing was dif-

ficult to arrange.

• Many household-name U.S. corporations discovered that their bonds could be marketed in Europe on a lower yield basis than their actual present credit status

 U.S. corporate treasurers realized, a realization long overdue, that the Euromarkets were, and remain, influenced by currency selection. In 1982, therefore, the strength of the dollar against all the traditional "hard" currencies was an important contributor to

the market's growth.

Perhaps the only surprising aspect of U.S. corporate borrowing in the Euromarkets is that it did not take off sooner. Some of the blame for this can be attributed to the failure of U.S. corporate treasurers to recognize the obvious via-bility of the market. There was, after all, no excuse. Exxon, through its offshore financing subsidiary Esso Overseas Finance Corporation, first borrowed in the Euromarkets back in 1970.

Beatrice Foods became the first U.S. corporation to issue fixed-rate Eurodollar bonds below U.S. Treasury yields in April 1978. The seeds were sown.

However, it was only when the arrival of Paul A. Volcker, chairman of the Federal Reserve, heralded a new world of bond chaos that the U.S. corporate treasurers turned their eyes East. Suddenly they found the domestic market quite literally closed for a short period of time. Medium quality companies, even if creditworthy, often discovered that they could not bor-row at all. Maturities began to contract and some commentators have argued that this was the catalyst that caused U.S. corporate Eurobond borrowing to surge.

Perhaps this change was only one among a number of influences, but it created a situation where U.S. corporate treasurers found themselves staring at parallels. They may have been astonished to be told that there was simply no longer a market for their 30-year bonds; 30-year bonds were an ana-

There was one sector which had changing pattern of investment de-mand. That sector was the Euro-bond market. Having started its was vital for expansion. European best credits available. investors had viewed 30-year bonds with a healthy degree of skepticism for a long time. For them the analysis was relatively simple: as it was virtually impossible to see three years ahead, a 30-

The arrival of intermediate bonds as an integral part of the domestic fixed-income market gave U.S. corporate treasurers no alternative but to consider the overseas option. Now they were faced with a directly competitive market. The Eurobond sector won, at least for the majority of 1982.

Why was it able to upstage its more established and larger rival? The U.S. government itself is partly responsible. By not abolishing witholding taxes, which produce minuscule revenues anyway, the U.S. government effectively closed the domestic market to a larger number of foreign investors.

However, it also is important to recognize that there is no absolute assurance that those same foreigners would enter the domestic market even if interest payments were tax-exempt. International investors are not overly impressed by the fact that U.S. government bonds, arguably the finest security in the world, also are among the most volatile. At the present time, U.S. Treasury bonds are at least twice as volatile as top quality Euro-bonds. As most Eurobonds are purchased for maximum capital security, such price fluctuations are considered excessive.

The stage was therefore perfectly set. Europeans wanted tax-exempt securities. They wanted dollar-denominated securities because the U.S. currency was persistently strong. With those considerations in mind, it was only a matter of selection. As the Eurobond sector is the only market in the world which is truly geographically representative, the choice was enormous. Triple-A-rated borrowers such as Canada, France, Sweden, the World Bank and the European Investment Bank were in the market almost every other week. Banks were evident in profusion, particularly with the development of in-

terest-rate swaps. However which issues did the Europeans really want to buy? They turned, in exactly the same way as in 1974/75 to the U.S. corporate names, even when some vield sacrifice was involved. It appeared that that decision was based on a number of considera-

 Europeans do not pay a great deal of attention to credit-ratings
- French and Swedish bonds for instance simply do not trade on a

 The well-publicized problems several major international banks and extensive sovereign the foresight to recognize the credit rescheduling created an almost exact repetition of events. In 1974/75, in the aftermath of price increases by the Organization of life as a long-term market, the En-robond sector adapted itself to the Europeans turned to U.S. corporaneeds of its lenders whose support tions that they perceived to be the

> • The liquidity of U.S. corporate Eurobonds always has been and still is the best in the market.

 Europeans always have had a natural preference for the house-hold U.S. industrial names. Walt year obligation verged on the ab-surd for non-institutional inves-Disney bonds, for instance, are untors. Nor had the past price per- rated. However, in Europe, the formance endeared Europeans to company always will be able to long-dated bonds. Almost without borrow funds at a lower cost than exception, the purchase of long- even official triple-A credits. Philip

# To do business internationally Pierson recommends using two banks.

You need a capable commercial bank.

Even when you're doing international business, you still have day-to-day banking needs.

Pierson, Heldring & Pierson's general banking services take care of daily chores like money transfers, overdrafts, foreign exchange and documentary credits. While Pierson advisory services help you with equity, debt financing and bank credits.

You need an inventive merchant bank.

To tackle more complicated problems, you need a bank that understands international business. A flexible bank that can invent individual solution to your particular problems.

A bank that offers the complete range of special services.

Pierson is that bank. We give you

professional, highly personalized attention and expertise with regard to new issues, securities brokerage, block trading, portfolio management, institutional advisory services, trust services and insurance brokerage.

Pierson is two banks.

We have the commercial banking services you expect and the merchant banking services you need. In Holland and throughout the world.

If your business is international, let Pierson show you how one bank can be the two banks you need.

### PIERSON, HELDRING & PIERSON N.V.

Dutch offices:

Amsterdam: Herengracht 214, 1016 BS. Amsterdam, telephone: 020-211188. Rotterdam: Schiedamse Vest 154, 3011 BH. Rotterdam, telephone 010-145544. The Hague and Haarlem.

Foreign branches and subsidiaries, representative offices, trust offices and affiliates in: Bermuda, Curação (N.A.), Guernsey (Channel Islands), Hong Kong, Jakarta, London, Luxembourgh, New York, San Francisco, Tokyo, Toronto and Zurich,

WestLB

<u>Headquarters</u> P.O. Boy 1128 D-4000 Dusseldort 1 Tel. (211) 826-01 Frankluri Office Tel (611) 25791 Branches London, Tel. 638 6141, New York, Tel. 754-9600, Tokyo, Tel. 216-0581

Subsidiaries WestLB International S.A., Luxembourg, Tel. 44.7411, WestLB Asia Limited Hong Kong, Tel. 5-259.206 Representative Offices Latin-America Office New York, Tel. 754-9620. Rio de Janeiro Tel 2624821, Totonto, Tel 8691085, Tokyo, Tel 2134811, Melbourne, Tel 6541655

Participations
Banque
Franco-Alfernande S.A.
Paris Tel 5630109
Banco da Bahia
Investimentos S.A.
Bio de Laberro

# MARKET NEWSLETTERS

The newsletters' influence on primary markets derives from the power and prestige of their readers. Both circulate in banks, central banks, finance ministries and treasury departments, as well as bodies such as the International Monetary Fund and the World

By Peter Grange

character and the T ONDON — Are international capital markets really markets? And is the international financial community in any sense a community? A yardstick that can be applied

to both terms is to ask "do the peo-ple in them talk to each other?" As far as international bond issues and syndicated loans are con-

crned, the answer is "very little."
The loan syndication manager of a major U.S. bank made the point succincily: "You can't have a market without an exchange of information, and talking to other bankers is the best way of doing it. But one guy can only meet so many people — I can only eat lunch once a day." So how does he "et an overall view of the market?

rad the market newsletters and sy tell me what is going on. I now of no other way." The two newsletters that have

fully exploited the failure of bankers to eat more than one lunch a day are International Insider and Agefi International Financing Review, both published weekly in London. Once in print - International Insider in 1972, Agefi in 1974 - they have exerted an influence on international capital markets that owes nothing to the sort of circulations usually associated with the "power" of the press. Ageti is thought to have about 1,200 subscribers, while informed sources say the paid circulation of International Insider is roughly

The newsletters' influence on primary markets derives from the power and prestige of their readers. Both circulate in banks, central banks, finance ministries and feasury departments, as well as bodies such as the International Monetary Fund and the World

Bank. "Agefi goes to just about every central bank and sovereign borrower you can think of," said a U.S. banker. "If you are arranging a deal, you have to keep up with what it is saying — and pray it gets your own deal straight." But if International Insider and

Agefi are aimed at the same elite readership, they have little in com-mon when it comes to approach. "We try to give a good journalistic account of the markets," said Andrew Goodrick-Clark, one of International insider's contributing editors. "We can be much more irreverent than a newspaper because we are not dependent on advertising for our revenue - nor would we ever want to be." This point takes on extra significance as Agefi does accept advertising and recent-ly has undergone a change of format designed to attract more ads. "We set out to gather as much in-formation as possible," explained Agefi's editor and joint owner. Christian Hemain. "And advertising is also information, you see."

For £450 a year (£430 to U.K.based subscribers), International Insider provides its readers weekly with six pages of news items covering medium-term financing, international bond issues and private placements. Under the rubrique Snippets," bankers on the move have their appointments recorded for posterity, and the whole is completed by a table listing new bond issues.

Until July of this year, Interna-tional Insider was owned and written by William Low, a former Financial Times journalist with a Unless multinational bankers are flamboyant personality and an agable to come to terms with their gressive approach toward interna-tional bankers and their affairs, tems, notwithstanding the regulaowner-writers, Christopher Willing and Mr. Goodrick-Clark — storm. Many bankers agreed that the new

both used to be with The Times as financial editor and deputy finanrial editor, respectively — are doing a good journalistic job.

"If anything, they are covering

(Continued on Page 16S)

#### The Third World And Growing Debt

(Continued from Page 11S) service foreign credits represents a quite ugly form of bankruptcy at the national level. An increase in political oppression, a debasement of money and a partial collapse of the distribution channels are only

some of the spin-offs.

than development.

While it may be true that countries, unlike companies, do not disappear, even those societies that have survived default without massive destabilization only rarely demonstrate a capacity for subsequent balance in their economic growth. Excess seems to breed excess. The biggest bank borrowers among developing countries are all too often precisely those with the most "skewed" development patterns. In other words, foreign bank credit often fuels growth rather

The origins of the problem can be found in the distinction be-(ween moneychanging and banking. A bank is a temple and a temple guards the grain. Here is the origin of commercial banking as first practiced in Alexandria in ancient Egypt sonie 5,000 years ago. Unless multinational bankers are tors, inevitably will become as

# WestLB derives its prowess in international finance from multiple sources.

Large-scale financing calls for a bank with all the credentials and expertise needed to ensure a smooth, competitive functioning of

any major money raising operation.

WestLB's approach in initiating and organizing world- financing partner. wide syndicates, its own resources, international flexibility and well-balanced sources of funds make the

Bank, one of Germany's top three international institutions, a solid wholesale

## Westdeutsche Landesbank

A strong force in wholesale banking

By Charles R. Geisst

ONDON - Over the last five years interest rate futures have become part and parcel of the American financial landscape. Their virtues as hedging tools have been extolled many times and their speculative attributes have proved a boon for several commodity futures markets. But in most cases, their hedging qualities have been most valid in the American domestic market where investors hedge like with like.

In the overseas dollar market. the use of interest-rate futures has been more difficult, but not unsuccessful. This is due to the nature of cross-hedging or hedging an in-strument that varies from the underlying futures instrument. This is nowhere more evident than in the Eurodollar bond market.

The author is an associate director at Bank of America International Ltd., and co-author of "Financial Futures Markets," to be published by McMillan in 1983.

Because of their unique nature, Eurodollar bonds are essentially different instruments than U.S. treasury bonds or Government National Mortgage Association is-sues, known as Ginnie Maes, the cash securities upon which current futures contracts are based. Despite this, hedging is still possible, but the basic difference between these domestic instruments and offshore bonds should be carefully considered.

While U.S. treasury and some corporate bonds may extend out as far as 30 years, the average longterm Eurodollar bond is normally 15 years to maturity. This means that anyone attempting to hedge a Eurobond with a long U.S. futures contract is faced with a significant maturity differential expressing itself in yield terms.

The long-term treasury bond contract is based upon a standard 8 percent of 20 years to maturity. Cash bonds with lives to call of less than 15 years are not deliverable against it but bonds of longer maturity are. Therefore, the most have current coupons with long maturities.

A potential hedger would therefore be exposed to a significant amount of basis risk; the yield difference between the short and long maturity that may vary depending upon the slope of the yield curve between the two points. In addition, the hedger, and especially the short hedger (who sells contracts short against his cash position), is subject to the ultimate volatility at the long end of the maturity/yield

Perhaps more important is the phenomenon equally difficult to qualify in the Eurobond market that of bonds with early calls of sinking/purchase funds tending to reduce their ostensible lives. In the former case especially, interest rate falls create an environment whereby the borrower may decide to call in the expensive issue and replace it with a lower cost of borrowing.

deliverable bonds are those that issue will tend to underperform the not necessarily give appropriate tures instrument to consider, the market.

This dubious distinction is important for two reasons. First, these bond yields will be calculated on a yield to call basis rather than as a yield to maturity. As a result, they will not be compatible with other longer-term maturities with no call or with low coupons trading at a discount. Second, at these new yield levels, it is difficult to say whether they can be adequately hedged.

A glance at the cluster of Eurobonds maturing between 1989 and 1995 shows that some 200 issues have early call provisions. Those issues with the highest coupons and call features have traded at a yield premium to the rest of the market. While some investors may purchase them on a total return basis, others will not purchase them because of those hefty premi-

Thus, in many cases the long bond contract is not compatible with these sort of issues and even a If the call price is below the current market price of the bond, the partial hedge of less then 1:1 may

cover. This leaves two other contracts in the futures arsenal to con-

The recently inaugurated 10year futures contract would, at first glance appear to be the most appropriate instrument for hedging Eurobonds. Its price tends to parallel the 10-year outstanding treasury issues. However, the 10year contract has not yet proved successful with only the spot (nearest delivery) months being somewhat actively traded.

The same is true of the most theoretically ideal of the treasury

futures instruments — the 4/6-year notes. These have never become viable trading instruments. Unfortunately, for the Eurobond market this future appears destined foroblivion. This has been unfortunate because most outstanding Eurobonds are in the medium-

This leaves only one other fu-

Ginnie Mae modified pass-through collateralized deposit receipt or CDR. This somewhat complex instrument has been largely ignored because of its difficult structure. However, it possesses several features that make it akin to the most recent high coupon generation of

The Ginnie Mae is based upon an 8-percent security of 30 years maturity. They are not usually referred to as bonds because they are based upon a pool of single-family home mortgages originated by a mortgage banker. The pool is then deposited with a bank, and the agency, which was founded in 1968, issues a debt security against

Unlike most American bonds. Ginnie Maes pay interest monthly rather than semi-annually and thus the compounding factor tends to raise their yields above the nominal coupon rate if stated on a semi-

the collateralized deposit receipt. representing Ginnic Maes deposited against the receipt, is properly called a principal maintenance contract since it uses an adjustment factor to determine how many nominal bonds of varying coupons must be delivered by a seller to satisfy contract require-

This is the same process used to determine the number of bonds needed to satisfy the terms of the long bond contract. However, one basic difference exists between the Ginnie Mae contract and the bond contract although both are based upon 30-year instruments.

The Ginnie Mae assumes that the underlying pool of mortgages will be prepaid in 12 rather than extend out to 30 years. This paydown is not, in strict terms, an avis this 12-year factor that mak s these instruments somewhat all i

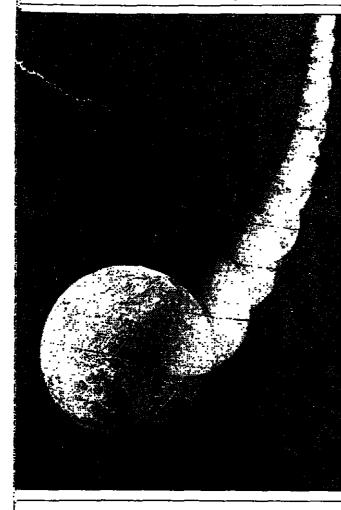
to long-term Eurobonds. Ginnie Maes also trade or vield spread above long-term re-uries, a differential not dissiple to the Eurobond-treasury.

Although the agency obligation are fully backed by the good

credit and a differential of verying degrees has always been eviden Thus, these two teatures make Ginnie Mae cash and future yields compatible with Eurodollar bonds. more so than any other current fi-nancial futures instrument. But the recent fall in interest rates and its attendant problems have raised questions as to whether former or potential hedging possibilities, are currently valid.

As rates have fallen, the Ciunie

Maes have lagged behind the price (Continued on Following Page)



# Around the world

With the passage of time, our services only get better. Our global network lets us serve you quickly, efficiently. Whatever your banking need, choose Mitsui Trust.

# MITSUI TRUST THE MITSUI TRUST & HANKING CO., LTD.

Head Office: 1-1, Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo, Japan. Tel: 03-270-9511 Telex: J26397 Cable Address: TRUSTMIT TOKYO London Branch: 99 Bishopsgate, London EC2M 3XD, U.K. Tel: 01-638-0841 Telex: 888679 MTRUST G Cable Address: TRUSTMIT LONDON EC2

Mitsui Trust Bank (Europe) S.A.: Avenue Louise, 287-Bte 5, 1050 Brussels, Belgium. Tel: 02-640-8850 Telex: 64720 MITBK B Cable Address: MTRUST BANK

New York Branch: One World Trade Center, Suite 2365, New York, N.Y. 10048. U.S.A. Tel: 212-938-2750 Telex: 222401 MBCO UR Cable Address: TRUSTMIT NEWYORK

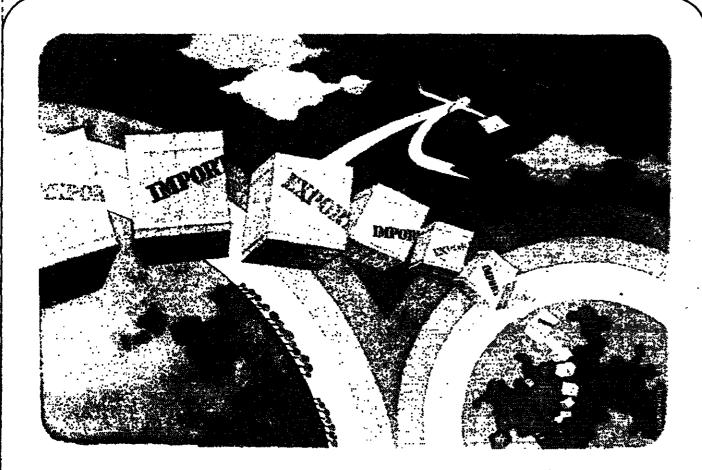
Singapore Branch: Tower 1502/3, DBS Building, 6 Shenton Way, Singapore 0106, Singapore. Tel: 2208553 Teles: 23796 MITUITB RS Cable Address MITUITRUST SINGAPORE

Los Angeles Representative Office: Crocker Plaza Buikling, Suite 1990, 611 West Sixth Street, L.A., California, U.S.A. Tet. (213) 624-8937 Telex: 9103212981 MBCO LSA. Cable Address: TRUSTMIT LA São Paulo Representative Office: Avenida Paulista, 1274 Edificio Asahi 20 And, Cep-01310 São Paulo, S.P. Brazil. Tel: 289-7883 Telex: 1134499 ASAH BR

Sydney Representative Office: 16th Level, C.B.A. Centre, 60 Margaret Street, Sydney N SW. 2000, Australia Tel: 235-1139 Telex: 73067 MT8SYD AA Mitsui Trust Finance (Hong Kong) Limited: 15th Foor, Bank of Canton Building, 6 Des Voeux Road, Central, Hong Kong. Tel: 5-211121 Telex: 63413 MTBHK HK Cable Address: MTRUSTFNHK

# Yield Yields on Ginnie Mae, Treasury and Long To Maturity Eurodollar Bonds in 1982 17-Long Eurodollar Yield (Annual) \* 16-17% Ginnie Mae Yield (Semi-Annual) 15-14 14% Treasuries Maturing in 2011 (Semi-Annual) 12 11-JULY May

Did you know? Our clients feel at home anywhere in the world.



Did you also know that, in orderto operate in the foreign markets, a thorough knowledge of the economic and social situation of every country, in which we operate, is required; the short and medium - term prospects involved, and the rules regulating international interchange? At BNA you will find it all: a staff

of operators in constant contact with all the major centres of the world; qualified assistance for any requirement in the financial sector, any necessary information on the foreign market, and a widespread operative network: our New York branch,

representative offices in

New York, Paris, London, Frankfurt, Tokyo, Zurich, as well as over 1.000 correspondent banks all over the

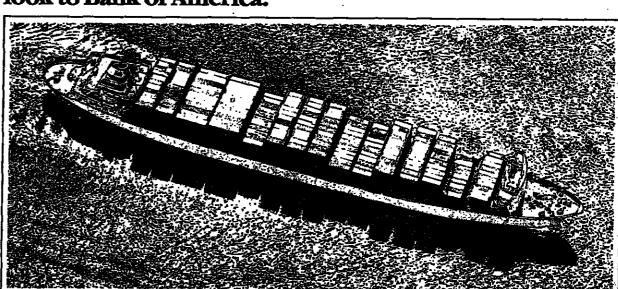
> This is Banca Nazionale dell'Agricoltura; within your reach in every country, in any situation, in any

BANCA NAZIONALE DELL'AGRICOLTURA

A Bank for all seasons.

For the trade finance service that includes experts in major ports around the world, look to Bank of America.

Average years to maturity - 12.75 Average call price - 102.5 Average life to first call — 5.75 Average coupon — 15.65



With Bank of America, you get trade finance services with a global advantage: our 90-nation banking network. It gives you firsthand knowledge of local markets and business requirements. On-the-spot experience with local trade problems and solutions. On-site Bank of America experts handling both ends of your trade transactions. And an account officer who manages your services worldwide.

And that's only the start. You can get letters of credit negotiated and advised for your maximum protection. Bankers' acceptances at market-reflective rates worldwide. Global foreign exchange services. And trade specialists with the contacts and experience to advise you on international finance opportunities—from the smallest export order to the most complex, multicurrency, import-export packages.

For more information, contact the Branch Manager at your nearest Bank of America office. Give your world trade business the competitive advantage of a world of trade finance experts.

Look to the Leader.™



# Fund Managers Are Seeking To Reverse Divestiture Trend

By Rainer Kahimann

Control of the second NDON - Investment funds Eurobean land the control of the livestors overseas the livestors ov

these two facts investors in the aftermath of the investors in the aftermath of the investors in the aftermath of the investors in the aftermath of the investors in the aftermath of the investors in the aftermath of the investors in the aftermath of the investors in the aftermath of the investors in the aftermath of the investor opinion on the Europe in investor opinion opinion on the Europe in investor opinion o vestment funds as an investment ontict, helped along by continued ontict, helped along by continued ontict helped along by continued ontict helped along by continued ontict helped along by continued ontict helped along by continued on the latter third of the 1970s and the first two years of the 1980s. The negative and at best disinterested investor opinion has disinterested investor opinion has not been helped by the tightening of local fund laws in the various European jurisdictions, mirrored by an almost total regional frag-mentation of the investment fund

> The author is an executive director European Banking Company, London. The views expressed are his private views and not necessarily hose of the company.

the difference in the national regu-latory framework has been the principal cause for this effective fragmentation, or whether the lack of determination by fund managers to penetrate individual national markets by virtue of a multinational marketing approach has been the reason, or both. There are a few notable exceptions, such as

the Dutch equity and bond funds. The overall market, however, has not been really accessible to trans-national placement of investment funds, with the few contrary examples being the exceptions confirmhig the rule. During the last two years, with

short-term interest rates at record levels up to 20 percent and equity and fixed rate markets heavily depressed as a result, investors have on a net basis divested themselves of investment funds on the European Continent, giving serious concern to fund managers as to how to reverse this process. Recently the pace of net redemption has slowed because of rapidly de-clining interest rates but it is still open whether investor preference will permit ever again a net positive sales pattern to emerge in Continental Europe for equity and fixed income oriented funds.

Distribution of Equity Funds And Fixed-Rate Funds in Europe **FOIRTY STARK** 

	EAROII I FOI	4D3	PAG.	MAIE FURDS
	····	(ct 31 D	ecember 1981)	<del></del>
	(\$000,000)	%	(\$000.000)	%
Belgium	145	14.5	855	85.5
W.Germany	3,577	31.6	7 <i>,</i> 732	68.4
France	9, <b>7</b> 15	64.4	5,364	35.6
United Kingdom	10,969	97.3	304	2.7
Italy	1,250	<b>83</b> ,1	255	16.9
Netherlands	3,696	76.9	1,112	23.1

creasing government interference in onshore unit trust management in view of the Gower Recommen-dations, which will lead to a marked revision of the Prevention

vestment trust laws within its member countries, and while this are currently being debated.

Investment fund sponsors have endeavored to counteract restriccan nevertheless be hoped that it will lead to a more homogeneous regional approach to investment fund rules. As EC harmonization efforts take a long time to become practical reality, any tangible in-fluence toward better accessibility by individual funds to national markets must be considered a long

As a result of the existing re-gional fragmentation, many investment funds on the Continent are neither profitable propositions for the sponsors nor really for the investors, whose investment is subject to disproportionately high charges. However, very little amal-It is interesting to note that Brit-Commission, as in many other gamation of investment groups has ain, as the only country that seems fields, is aiming to harmonize intaken place, as prestige considera-

tions by the sponsors have prevailed over economic and investor interest considerations. The one notable exception has been Britain, where consolidations of sponsoring groups have gathered pace in the unit trust as well as the investment fund fields. Only if distribution throughout

Europe can take place on a truly transnational basis will economies of scale be possible, which in turn will render the concept of investment funds palatable again to investors. It will also necessitate an increased scale of operation to create direct sales forces to bring the product directly to the investor's door, thereby eliminating many of the unsavory investment proposals to which he is now subject by lack of educated and sound direct

strict rules in Europe for establishing and running investment funds have given positive protection to investors, other "unregulated" investment activities, such as tax allowance schemes, forward commodity and exchange dealing programs and other nonmainstream investment proposals to individuals have caused losses to those investors who have not channeled their funds through the more established banks and professional advisory groups. Sponsors of dubi-ous investment schemes have not always been impeded by the existing "investment" regulatory framework. Regulatory authorities in European countries have looked with great reluctance at innovative approaches in the investment fund fit from such innovation without

concept, such as money market

While it is not disputed that the

STYCH PATE FIRMS

 Aggregate of Investment Fund Assets In Europe and the United States (As of Dec. 31, 1981)

· 	Total Assets (\$000.000)	Total Assets Per Copita(\$)
Belgium	1,000	100
W. Germany	11,309	184
France	15,079	280
United Kingdom	11,273	202
italy	1,505	27
Netherlands	4,808	338
U.S.A.	238,649	1.071
	cum money market	
_	52,427	235
	ex money market f	runds
Switzerland	7,911	1,250

funds and commodity funds, The aim of the investment fund

which are still not acceptable to most European onshore supervisory authorities. This is in contrast to the continued growth of the investment fund concept in the United States, where investment funds, or "mutual funds," can be distributed. once they are registered with the Securities Exchange Commission, to a 240-million audience without any local restrictions. The recent phenomenal rise of money market funds and commodity funds in the United States has shown the positive approach that the SEC, and, in the case of the former, the Federal Reserve Bank have taken to innovative concepts in the investment fund field. The investor has been allowed to bene-

concept must be that, while it may not guarantee the "top dollar" in performance compared to any serious and specialized financial advice, the investor will not be defrauded of his monies invested and inherent market and other risks will have been properly explained to him.

The investor might be better served if investment fund sponsors define their ethics and regulations more by virtue of self-imposed discipline than by fragmented and su-perimposed local government reg-ulations creating artificial regional borders that are more and more arbitrary and meaningless when looked at from the vantage point ing an investment haven

# Eurobonds Offer Investors Seeking Balanced Portfolio a Variety of Currencies as Market Expands

By Richard Rae

T ONDON - "And which currency would you recommend?" Over the past decade this question has become routine among seasoned investors when discussing investment strategy with their bankers. The link between currencies and interest rates has increased since the abandonment of the Bretton Wood Agreement and the free floating of major world currencies.

Investors no longer demand only advice on credit quality and ncome returns for fixed-interest investments in their domestic capital market but also seek assistance on the choice of currencies Recause of the gyrations in interest rates over the last 10 years, currencies have gained an increasingly important role in construction of a balanced investment portfolio. In this environment, Eurobonds became the ideal instruments to fulfill the needs of investors.

The range of currencies available in the Eurobond market comes close to matching the variety of investment instruments on offer and the type of borrowers that make them available. Since the inception of this market the choice of currency for investors and borrowers has increased notably and reflects the enormous growth of the market.

The founding unit, the European Unit of Account, has over the past 20 years undergone changes that mirror the altered market environment and needs of borrower and leader alike. At the same time, the addition of new currencies or even creation of substitutes for standard currency-denominated bonds has enabled this freethinking and freewheeling market to expand at a rate no one could have envisaged in the early 1960s.

Unquestionably the dominant role belongs to the dollar, which over the last 20 years has carved itself more than 75 percent of the market which now totals more than \$150 billion. It remains the only true international currency unit of the Eurobond market. In contrast to the gamut of national currences available, Eurodollar bonds have not been subject to central bank controls or coordinated with domestic fiscal policies, but were subjected to the influence sof open market forces only.

Freedom from governmental in-

#### Interest Rate **Futures: Tool**

(Configued from Preceding Page) appreciation witnessed by the reasury bonds. The prepayment option of mortgage holders has put something of a damper on these securities as call provisions have done to the long Eurobonds. A mortgage holder would presumably attempt to renegotiate the terms of the high-interest mortgage and when this begins to occur on a large scale, the pool of mortgages will begin to dimensib.

Although Ginnie Maes and Euodollar bonds are certainly differan animals by their nature, invesfor reaction to the two is similar. And while the domestic mortgage market and the Eurodollar bond market appear to have little in common except sensitivity to interest rate movements, structural similarities ironically make then somewhat compatible.

In conclusion, based upon in-struments available, it appears that the Ginnie Mae future is best suited for hedging the longer end of the Eurobond market. Regrettably. no suitable individual instrument exists to hedge the medium Eurobond maturities unless one attempts a hedging mix of T-bill contracts and long bond contracts, a strategy fraught with risk because of the delicate nature of the vield curve slope. However, recent nterest-rate developments must certainly be taken into account beause both types of security have arrendy fallen into a separate held class of their own.

fluences has enabled the Eurodollar sector to show a creativeness unmatched in any other capital market of the world. The introduction of straight, convertible, zero coupon, floating-rate note, war-rant, retractable and dual currency issues can all be traced back to this currency sector and has to date been imitated only on a restricted scale by others.

The growth of the market is also reflected in the size of transactions, which in the first 10 years rarely exceeded \$50 million, a unit that at present is likely to be the minimum amount contemplated by any borrower. Major dollar offerings are now measured in fractions of billions of dollars, with the weekly total of primary debt frequently topping one bil-

Just as the new issue amounts have changed over the years, the coupon rates fluctuated dramatically in line with the interest pattern. The peak in the Eurodollar interest rates was reached in 1982 rower to pay 181/2 percent, which was for its last bond issue to forts last August. The lows can be traced back to the late 1960s, when coupons were still in single digits and prime names were able to borrow genuinely long at rates of around 6 percent.

Interestingly enough, the quality of issuers has varied little. The market really expanded after the introduction of interest equalization tax in the United States in 1964, and attracted initially firstand second-class U.S. corporate names. Genuine third-rate corporations and less developed country borrowers were never really able to gain a foothold in the Eurobond markets, as retail investors remained unwilling to provide funds for them and offerings from this type of borrower tended to take on the form of private placements among banks or became thinly disguised syndicated loans.

Times have changed but not the ultimate purpose of the Eurobond market, which was established to cater for the growing investment needs of expatriate funds in search of anonymity and fiscal freedom. The multinational background of this capital pool inevitably produced the wide variety of currency options that is now available. The second most powerful cur-

rency unit in the bond market is the Deutsche mark, closely rivaled by the Swiss Franc. In both currencies, central banks retained strict control over the new issue volume and type of borrower, as well as the timing of launch through a well-publicized queue system, and at no time surren the new issue flow to the influences of the open market.

The importance of Deutsche mark bonds has varied, reflecting the strength of the currency in the international currency markets, but like all other alternatives, they remained inextricably linked to the fortunes of the dollar. A similar in-fluence was exerted on the Swiss franc bond market but to a much

The very efficient Dutch capital market inevitably spawned a Euro-sector, albeit only for privately placed issues of short maturity. Again, full control over the flow of the Dutch central bank, which over the last five years has also permitted more and more foreign borrowers into the public domestic market. These three European currencies, which, together with the dollar, form the main currency content of the Eurobond market, have worked in close unison with each other and, therefore, fall un-

In the second tier of this multicurrency Eurobond pool are currency units that during the past years have rivaled the DM-block in importance but have lacked its consistency. Among these are the yen, which over the last 10 years has only been permitted by the Ministry of Finance to play an international role in the Euro/Asian

der the DM block heading.

important section of the Eurobond

which funds ("unit trusts") can be

marketed on a direct client basis.

provided they are insurance linked, has seen a very significant growth in the total net assets under

unit trust management, with con-

sistently positive net subscription

levels over the last years. However, there are also clouds on the horizon in Britain with regard to in-

of Frauds Act, the merits of which

tive legal barriers by setting up funds in offshore centers, such as

the Channel Islands and the Cay-

man Islands, among others. How-

ever, this route does not provide

an effective means of circumvent-

ing onshore compliance with local

regulatory frameworks and inves-

tor audiences have been largely re-

stricted to expatriates. The aggre-

gate volumes channeled through

offshore centers into investment

funds have remained small in com-

parison to those in European do-

The European Community

mestic economies.

The French franc has lost im-portance since the Socialist victory in 1981 and the imposition of exchange controls. Sterling's appeal, in particular to borrowers, lies in the fact that interest rates were moving in close tandem with those in the United States and that funding opportunities of up to 30 years could be for d, a feat unmatched in any other capital market. With a possible weakening of the British pound, this appeal to borrowers is apparent, although the flow of transactions remains well controlled by the Bank of England.

Other strong currencies in this second-tier sector include the Luxembourg franc, which throughout the development of the Eurobond market has presented itself as the main rival to London in respect of listing for these Eurobonds and has at the same time seen a rewhen Mexico became the first bor- markably liquid capital market develop. The attractions of the Luxembourg franc were particularly underscored by the weakening of the Belgian franc last year, which increased the possibility of the creation of a genuinely independent Luxembourg franc, currently only available through fixed interest

Lastly, the emergence of the European Currency Unit, the ECU, the official currency of the Europe an Community, as a major unit was an impressive feature of 1982. The growth of this currency basket owes a lot to the emergence of a true interbank market in the ECU, pioneered by the Luxembourg banking community with the strong assistance of the French banks. The increased liquidity in this currency unit and the gen currency characteristics the ECU acquired during the past year helped immensely in the expansion of the ECU bond sector.

Looking at many other less im-portant currencies that offer themselves to investors, the list grows alarmingly long. Starting with onetime performers, few investors will look upon the Lebanese pound as a currency unit that could have alternative appeal to the ones mentioned above. On the other hand, the Kuwaiti dinar market did attract some well-known borrowers but did not find too many takers among non-Arab investors.

currently in operation, only older issues present themselves to investors with an inkling of hope for a recovery in the fortunes of members of the Organization of Petroleum Exporting Countries. Other occasional offerings denominated in Australian dollars are to be found in the market, alas with settlement through the mighty dollar and a very restricted after-market potential. Similarly, the November premiere offering of a New Zealand dollar-denominated bond encountered strong investment resistance because of the lack of foreign exchange facilities in this currency and the necessity to operate

through the dollar. Infrequent use has also been made by foreign borrowers of the Belgian franc, Austrian schilling, Singapore dollar and Danish krone. In all instances these curtransactions has been retained by rencies have not truly acquired the PTTLUXBG P/55.3. A013 Enro-status the Norwegian krone strived to attain during the last two years. The relaxing of the Norwegian capital market rules tentatively opened the door for foreign investors to a potentially strong currency. Initially, issues were only for Norwegian borrowers, but in 1982 the rules were further eased to accommodate supranational and foreign borrowers. This certainly is a new Eurobond sector, with solid support from the international investment

community. Last but not least, a thought should be spared for the currency baskets that have come and gone and are occasionally revived when either the dollar or the DM lack investment appeal. The first Euro-

lar, sterling and the French franc link soon lost its attractiveness to feature among those that fall into borrowers when gold started its this more volatile but nevertheless meteoric rise in the 1970s and was replaced at the beginning of the 1980s by the official accounting unit of the European Community, which has, as mentioned earlier.

> Of the other currency baskets, the Special Drawing Right was used with limited success and gained little strength from the re-

proved to be a complete success.

duction in the currency components. The currency components were cut from 15 to five on January 1, 1981.

The Eurco was another shortlived currency cocktail for which there was only a limited possible application.
The dominant borrowers in cur-

rency baskets have to date been supranational and sovereign borrowers. So far, few corporates have

been willing to commit themselves. Whichever way the Eurobond cocktail has been shaken, the resulting mix has always been strongly dollar flavored, with a frothy topping of other currencies. Some very limited attempts to link

The Eurodollar is currently the

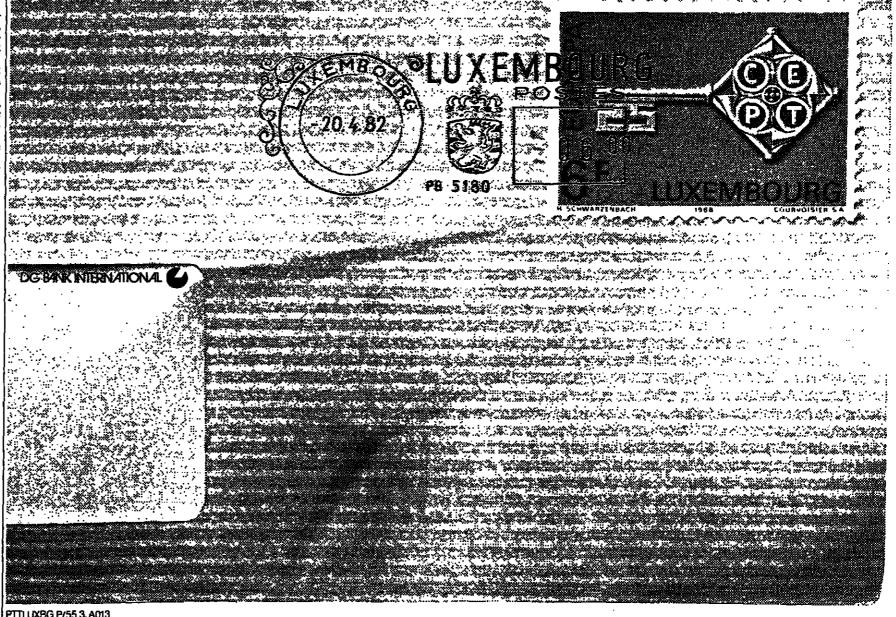
only truly independent currency unit and will therefore still form the foundation of the Euromarket. The true driving force of the Eurobond market has undoubtedly

been the dollar held offshore. petrol prices, gold and silver pro-These Eurodollars, which are inductions to bond deals failed to indistinguishable from the "genuine spire investment confidence and subsequently fell into oblivion. greenback" other than for their tax-free status, were instrumental in turning this capital market into

the fourth largest fixed-interest capital center after London, New York and Tokyo.

The accent of freedom of choice and anonymity of investor has been the other ingredient that helped the dramatic expansion over the last 20 years. This spirit will continue to attract new funds and may ultimately lead to the Eurobond market becoming the world's No. I capital market.

# YOUR KEY TO THE EUROMARKET: **DG BANK INTERNATIONAL**



As your partner in the Euromarket, DG BANK INTERNATIONAL offers complete services in corporate and project financing, international syndi-cated loans, underwriting of international bond issues and private placements, bond dealings, money market and foreign exchange operations, deposit transactions, and bullion dealing.

With total assets of Flux 115.7 billion (US \$2.7 billion) and an equity capital of Flux 3.7 billion including a subordinated parent company loan, we ternational role in the Canadian dol-bond market. The Canadian dol-pean Currency Unit with a gold lare a Euromarket subsidiary of DG BANK, one of

the leading financial institutions in the Federal Republic of Germany which acts as central bank and liquidity manager for a system of more than 3.900 local banks, nine regional banks and a number of specialized institutions.

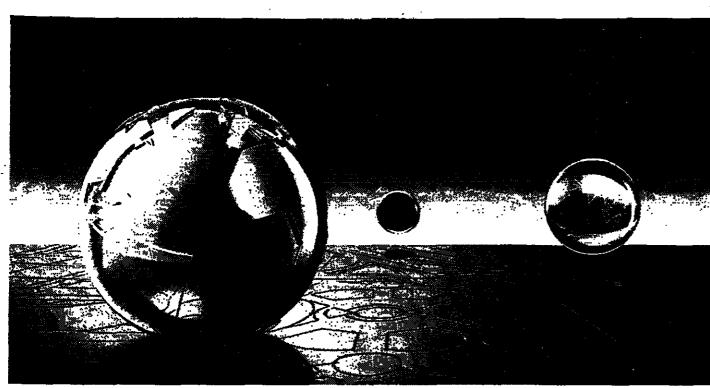
At the end of 1981, DG BANK's consolidated assets exceeded DM 64.2 billion (US \$28.5 billion) while the consolidated assets of the system headed by our parent bank totalled DM 370 billion (US \$164 billion).

DG BANK INTERNATIONAL, 3. Boulevard

Joseph II, Boîte Postale 661, L-2016 Luxembourg. Telephone: 449031 (general), 475851 (forex), Telex: 1878 (general), 2647 (credit) dgbki lu.



# Giant steps It takes one to make one

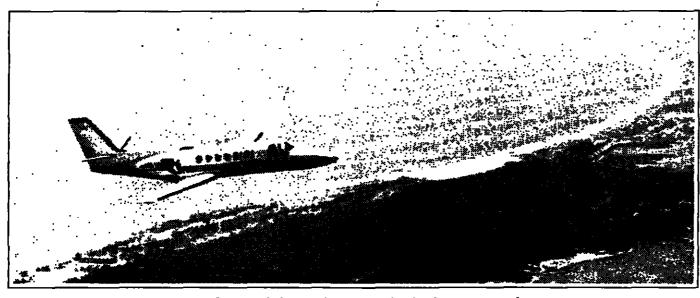


In the economic world, size alone does not make a giant, although Mitsubishi Bank certainly qualifies in that respect. But more important than size is direction, Mitsubishi stays ahead of today's uncertain world economy with three other giant steps, all in the right direction. First, Mitsubishi has close contacts with many independent think tanks (in addition to one of our own) to ensure a more precise vision of future economic trends. Second, we keep in touch with the world with the latest electronic banking equipment — automatic and computerized — which handles two million transactions in an average day. Third, with our choice of personnel, all highly trained men who observe and evaluate the changes in financial trends not only in the complex Japanese market but in 18 countries around the world. So that people in Germany who want to invest in Canada, or Americans

who are interested in Asia, can get data and advice from their nearest Mitsubishi man. Regardless of the size of their investment. Today's new MITSUBISHI BANK world requires new action on a mammoth scale. Giant steps. Share them Beginning another century of service with Mitsubishi Bank. They're the best way to get where you want to go. A

HEAD OFFICE: 7-1. Marunouch: 2-chome, Chiyoda-ku, Tokyo, Japan OVERSEAS OFFICES: New York, Chicago, Los Angeles, Houston, Toronto, Mexico City, Caracas, London, Düsseldort, Frankfurt, Paris, Zürich, Madrid, Tehran, Bahrain, Seoul, Beijing, Kuala Lumpur, Singapore, Hong Kong, Jakarta, Sydney, The Mitsubishi Bank of California in Los Angeles, San Francisco, San Diego and San Jose, Mitsubishi Bank of Canada in Toronto and Vencouver, Mitsubishi Bank (Europe) S.A. in Brussels, Mitsubishi Franz (Schweiz) AG in Zürich, Banco Mitsubishi Brasileiro S.A. in São Paulo, Rio de Janeiro and Brasilia, Mitsubishi International Finance Limited in Hong Kong ASSOCIATED BANKS: Japan International Bank in

# **Hypo-Bank** royal client service means speed and mobility in international finance.



Success in international financing is often a matter of speed and mobility. Hypo-Bank goes to great lengths to put time on your side in arranging finance of all sizes

Speed and mobility in international financing are typical examples of Hypo-Bank royal client treatment, a tradition that dates back to 1835 when we were estab-

lished in Munich by King Ludwig I of Bavaria.

Backed by consolidated assets of more than DM 89 billion and 147 years of experience, we are flexible enough to respond quickly to almost any financing requirement. Our position as a major force in domestic issues and immediate access to the Euromarket via our Luxembourg subsidiary make us a strong reliable

Through our network of subsidiaries, branches in London and New York, affiliates, representative offices, partnership in ABECOR, and a mobile team of banking professionals, we offer services worldwide.

To learn more about Hypo-Bank's international

financing capabilities, get in touch with us at:

Theatinerstrasse 11 D-8000 Munich 2 Tel.: (0.89) 2366-1



Modern Banking in the finest Royal Tradition

# **EUROMARKETS**

# The Next Phase for LIFFE: Marketing Financial Futures to the General Public

By Brendan Brown

L ONDON — The London In-ternational Financial Futures Exchange, is now at that unnerving stage of development through which many innovatory products pass on their way to eventual success or failure.

The futures contracts that LIFFE has started to trade have not proved to be that rare type of innovation that spontaneously takes off; the only recent example of instant success in the futures industry has been for the stock index contract traded at the Chicago Mercantile Exchange and the New York Futures Exchange since the summer. Yet, there has been sufficient interest in trading the new instruments to encourage members of LIFFE to believe that it is

worth persevering.

After months of preparation, and the fanfare of the initial opening. LIFFE members must now embark on the long slog of marketing the new product to the general public. Trading between members themselves, which is an especially high proportion of business turn-over in the early stages of most futures markets' existence, cannol generate net income for the members in aggregate.

Chicago's International Mone-tary Market faced a similar chailenge after its first few weeks of operation in 1972; nerves were probably less strained, however, as he initial commitment of members was small. The Chicago market was set up as a subdivision of the mercantile exchange with a large proportion of the seats being allocated simply to exchange mem bers; only a small part of the mer-cantile exchange's trading floor was allotted at first to the new fi-

nancial futures trading
LIFFE's launching has been bolder than the Chicago market. A self-contained marketplace with a potential for handling a volume of business greater than currently enjoyed by the Chicago market has been constructed in the Royal Ex-change Building, which has been refurbished at considerable cost over the past year.

In its first month, LIFFE has traded two currency futures con-tracts, in British pounds and Deutsche marks, and one interest rate futures contract, in threemonth Eurodollar deposits. Trading volume in each currency has fallen far below 1,000 on most days, with business in the Deutsche mark contract being es-

pecially disappointing.

In the Chicago market, average daily trading volume during October has ranged from around 7,000 for Swiss francs, 4,000 for Deutsche marks, Japanese yen, and Canadian dollars, to 2,000 for British pounds. LIFFE's Eurodollar contract has enjoyed daily trading volume usually in a 1,500 to for Chicago's Eurodollar contract. Crisis in the Eurodollar market, set off by debt rescheduling and moratoriums in Latin America, has been good news for LIFFE, as

cheaper to cover interest-rate exposure by writing Enrodollar fu-tures contracts than by dealing in the shrinking Eurodollar interbank

Yet LIFFE's successful attack on the Chicago market's position in the Eurodollar futures market does not represent a major conquest. Interest rate futures trading in Chicago is concentrated on Treasury bills and, to a much lesser extent, on futures contracts for domestic certificates of deposit, which enjoy average trading vol-umes of around 20,000 and 5,000 respectively. Chicago dealers point to the high ratio of open interest to trading volume in the Eurodollar contracts, indicating that it is used primarily for hedging rather than speculative purposes. But it is speculators trading in and out of the market over short periods of time that is essential to generating through and liquidity on futures. turnover and liquidity on futures exchanges.
Officials of LIFFE play down

the appeal that the new market may have for speculators. In part this is for political reasons; stressing the hedging rather than the speculative uses of LIFFE was useful in obtaining various approvals from regulatory bodies. The experience of the futures industry in the United States confirms the importance of good public relations with the authorities. Even the Chcicago market's rivals recognize that it has been one of Chicago's efficiently run political machines, with well-positioned contracts to facilitate the gaining of consents for new developments.

Dealers on Chicago's Interna-tional Monetary Market estimate that speculative business may account for as much as 75 percent of total trade effected by the public. Indirect evidence supports this es-timate. The most actively traded currency contract is that for the Swiss franc, a currency in which there can be little hedging interest from U.S. corporations; yet the Swiss franc is particularly volatile against the dollar, and so it excites speculative interest.

Out of the various courses offered this year by the Chicago market on the use of futures, that on chart-reading and technical analy-sis of price fluctuations was heavily oversubscribed, while those on hedging techniques were less in demand. The message from Chicago is clear: the most fertile ground for business is among speculators rather than hedgers.

Developing speculative business on LIFFE will be a more daunting task than it was on the Chicago market. There is no tradition among the British of widespread interest in speculative trading on futures markets. Private wealthholdings are generally smaller and the total size of the potential mar-Britain than in the United States. If LIFFE is to generate the volume of trade enjoyed by Chicago, members must market the contracts throughout Western Europe.

second-tier banks have found it in this regard, the low representation of members from Continental Europe is unpromising. Moreover, many members would be cautious about accepting business from German speculators, given that fu-tures trading is treated by German law as gaming and debts incurred are unenforceable.

The hedging uses of the cur-rency contracts are potentially greatest for the small-sized corporation. Typically these have a credit relationship only with one or two banks, and so they do not have access to competitive quotation in the traditional exchange market. Even the practice of seeking a two-way quote offers a small corporation little protection, as the bank is normally aware of the nature of its business and whether it is likely to be a buyer or seller of foreign exchange. But the market-ing costs are high of reaching the small business man and demonstrating to him how, under the open outery system of trading in the futures market, his foreign exchange business would be affected in a competitive environment Moreover, banks themselves may

be resistant to their small custom-

business elsewhere.

ers transferring foreign exchange

Chicago's market had a head start in developing hedge business, in that many small corporations in the Midwest were already using the Mercantile Exchange to hedge agricultural price fluctuations. Their commodity broker could readily interest them in hedging currencies also and so enjoy the economy of having more business to transact on the same trading floor. Complementary business is especially prominent in Canadian dollars, where some 50 percent of orders come from corporations in the grain trade. The sterilized conditions of LIFFE's marketplace, sealed off from commodities trading, are unhelpful for business pro-

Interest rate contracts, like those

of currency, have a hedging appeal that is greatest for the small business. The large corporation, whose shares are widely held, does not have much incentive to hedge interest-rate risks. In contrast, the owner of a small corporation, that invests in, say, a construction project extending over many years, exposes his total portfolio to the risk that interest rates will rise, so inflicting on him a severe opportunity cost. This risk can be hedged by taking a short position in interest rate futures contracts or by obtaining long-term fixed rate finance. The former strategy has the advantages of avoiding high negotiation and commission costs or the acceptance of burdensome loan covenants. Indeed, owners of construction and development companies have been an important business segment in the Chicago

Arbitrage with the cash market is usually vital to liquidity creation in the futures markets and it also provides floor traders with an adlar futures markets, the relevant cash markets to arbitrage are the interbank markets in foreign et-change and in Eurodollara respon-tively. Arbitrage is already real efficient on LIFFE thank on a foreign exchange during its et al days, due to the active participacontrasts with their detachment until recently from the Chicago

market The banks' early participation by direct membership in LIPFE may be a mixed blessing. Though they increase the efficiency of arbitrage, they are unlikely to be ag-gressive in bringing outside custom to the market. "Locals," well-capi-talized independent floor trades. in LIFFE have little scope to make arbitrage profit, unlike their Chicago counterparts, who can play the sale and repurchase market. for Treasury Bills in New York against the Treasury Bill futures market in Chicago.
Viewed from Chicago, London

has been unduly bold to make a frontal attack on it by launching almost identical contracts in currencies and Eurodollars, Traders are skeptical about whether the predominantly corporate or insti-tutional members of LIFFE will demonstrate the same skills as the high proportion of "locals," many of whom are in their third generation, on Chicago's futures markets Even the much spoken about tithezone advantage of London has proved somewhat illusory; trades in London are unwilling to take positions before they see how the Federal funds rate opens early in what is their afternoon. 😗

The delay in introducing a glit-edged contract into LIFFE attributed to a technical bitch in arrang-ing for physical delivery of bonds through the Clearing House, does not awake sympathy in a city that houses a long-established and highly liquid bond futures market at its Board of Trade. On the Cacago market, there is even some apprehension that the golden days of speculative business may be over, as the heavy costs, direct and indirect, of futures trading mean that only one outsider in eight makes significant gains, leaving many disenchanted customers.

In London, Chicago's negativity appears premature. New contracts are yet to be listed, and there is optimism about the business potential of the short-term sterling interest rate futures contract which started trading on Nov. 4, and the gilts contract, which was eventually launched Nov. 18. As extensive marketing effort for all contracts lies ahead. There is always the possibility of a long drawn-out sterling crisis that would stir up welcome retail speculative business in Britain itself. But the conclusion that the going will be more difficult for LIFFE

The author is the currency econo mist at Phillips & Drew.

the markets better than Low," said Maurice Armand of Crédit Lyon-nais. "And I'm pleased to see they have stopped using terms like 'as exclusively foreshadowed' and 'watch this space," Mr. Armand said, referring to Mr. Low's tongue-in cheek style, which ap-pears to have irritated as many people as it has amused.

But there is no denying Mr. Low's flair. "His arrogance was irksome but he kept us on our toes
— and he was never dull," a Brit-ish banker recalled. Mr. Low's departure from the field - listening to bankers' stories one could say "battlefield" — has diluted International Insider's appeal, according to some bankers. Moreover, it ems he negotiated the sale of the newsletter just as newspapers were increasing their coverage of capital markets. "He got out at the right time," said Ian Kerr of Kidder Peabody. "What the markets need is less gossip and more analysis, more research." Mr. Goodrick-Clark was phlegmatic: "We're holding our own and even adding subscribers." As for Mr. Low's appeal to readers: "His acerbic style cut both ways. You win some, you lose some. It's early days for us."
Mr. Hemain's approach to market information stems from his ex-

perience as London correspondent for Agence Economique et Finan-cière, a fairly solid French daily newspaper devoted to the "journal of record" school of financial journalism. His approach has succeeded with Ageti International Financing Review.

From a four-page record of bond issues in 1974, Agefi has ex-panded to 30 pages and includes: a commentary on U.S. leading indicators and New York sentiment, details of syndicated bank loans, a 'spreads' league table, extensive country reports, new issues in the various sectors of the international bond markets and details of floating-rate notes, certificates of deposit and private placements. Such comprehensive information does not come cheaply; subscribers pay £650 a year (£600 in London). The subscription price also buys one or two cartoons per issue inevitably aimed at market cognoscenti and a smattering of advertising mostly tombstones. The occasional flurry of political comment — it ranges from homily to invective completes the mix. It is bulky and

wrote that the Ivory Coast was a candidate for rescheduling and he upset a lot of people," the syndication head of a U.S. bank said. "It stopped a deal we had in its tracks. We got it going again only when we managed to get another view across." Mr. Hemain was unrepentant. "We reflect market views," he maintained. "Anyway, he had two months to syndicate that deal, and if it wasn't completed then it shows there was something wrong

But the newsletters are not entirely free from the influence of market participants, according to Mr. Hemain. "Gosh, some people try very hard to manipulate us," he grimaced. "You would be surprised how many borrowers, especially Latin American ones, announce their glorious market achievements late on Friday night, just at the time they think we are imder pressure and will not be able to check their claims or get other opinions. They are mistaken, but very deeply." very deeply.

Criticism is, perhaps, as good a measure as any when assessing a publications' impact on its readers.
Certainly, Mr. Hemain attracts
much of it himself for allowing his own views to permeate otherwise hard, industrially harvested infor-mation. "He does make a fool of himself from time to time," said Mr. Kerr. "He writes these flowery eulogies on certain of his banking friends, particularly French ones, as if they were central bankers. A few weeks ago he described one of them as the Uncrowned King." Mr. Hemain shrugged the criticism aside. "I don't care. Some people are more original and more inter-esting than others — and more than some central bankers."

Less easily ignored by his read-ers are Mr. Hemain's sorties into the political arena. Bankers cited two recent examples of what one of them termed "his tendency to go over the top." At the height of the disturbances in Poland, Mr. Hemain published a full page in Agefi bearing only the emblem of Solidarity. "Some people said I should keep out of politics," he said. "Others liked very much the emblem of support and published the said. expression of support we published. And there was an Arab bank that wrote asking me to do the same for the P.L.O. — I told them the P.L.O. was rich, Solidar-

on the Falkland Islands conflict that drew most criticism from his readers. Under the heading "A Comedy of Errors," he lashed out at the British prime minister and British bankers: "The Margaret Thatcher decision to involve not only what remains of the British fleet but also the whole of the Euromarket in order to cover up her error in not foreseeing the Argentine willingness to recuperate the Malvinas Islands is an unaccept-able misjudgment." Storming on, he wrote: "The international banking community will remember that none of the chairmen of the large U.K. banks, which have earned so much money from their Euromarket activities, have said a word against the present absurd and ob-

Mr. Hemain conceded that the reaction was very strong "not only from the U.K. but also from the U.S. and elsewhere." One of his sternest critics was the managing director of European Banking Company, Stanislas Yassukovich. "Many people thought it offen-sive," he said. "Hemain lives and works in the United Kingdom yet he insisted on referring to the Malvinas and on misinterpreting atti-tudes in the City of London. As for his criticism of politicians us-ing the Euromarkets to exert economic pressure, he seems ignorant of the argument that says financial journalists should limit their excursions into political comment." 'Rubbish," snapped Mr.

Hemain. "In a country of three million unemployed, I generate work for 30 people. I have never felt I'm a guest here. If that is a basis for limiting comment, then I could easily move my constitution." could easily move my operation elsewhere. While I remain, the 'host' can thank me."

Many bankers would withhold their thanks for Mr. Hemain's political sorties, yet they are quick in express their admiration for the amount of information he gathers and disseminates each week. A typical assessment comes from Carl Studt of Barclays Merchant Bank who said he regards Ageil as "very authoritative" on the subject of new issues. "It brings us up to date on certain aspects of the mar-ket, and we can find information on issues where we may not have received telexed details from the is-

However, some bankers believe that Agefi might — like interna-tional insider — find it difficult to sustain high subscription rates in the face of extended newspaper coverage and the arrival of the proved computerized information systems designed for primary man-kets. Mr. Hemain agreed with the point about computers. "More and more the markets will rely on com-puterized data. That is why we will be concentrating more and more on comment in depth. We will still try to cover the markets in detail. but the interpretation of data will

be increasingly important."

Bankers will be hoping he gets
the balance right. In their view interpretation and comment are not always compatible with Mr. Hemain But few of them would deny his contribution to the inter-national bond markets and to the area of syndicated bank loan-The best definition of a private

placement is one which has not appeared in the Agefi newsletter," said Crédit Lyonnais Maurice Armand. Besides illustrating that bankers, too, can sometimes "so over the top " it is to the control of t sometimes "go over the top," it is a cordial acknowledgement of Mr. Hemain's voracious appetite for information - and for selling it.

#### CONTRIBUTORS

CARL GEWIRTZ is associate editor of the International Herald Tribune. CAROLINE ATKIN-SON and JOHN M. BERRY are financial reporters at The Washington Post. PETER GRANGE and IAN M. GUMMER are financial journalists based in Europe. RICHARD RAE is a journalist with the Agefi International Financing Review.

# BUSINESS / FINANCE

#### **EUROBONDS**

By CARL GEWIRTZ

#### **Dollar Markets Still in the Doldrums** Despite Drop in Fed's Discount Rate

PARIS — The dollar bond markets in Europe and New York failed to respond last week to the long awaited cut in the Federal Reserve's

 A heavy volume of new issues had been marketed bearing coupons aticipating that cut. When it finally came, the markets simply yawned. As a result, the aggressively priced recent issues are virtually all trading at substantial discounts and unless the Fed provides some new spark another half point cut in its lending rate — analysts believe the Euro-bond market will remain in the doldrums at least until the new year. "The buyers are just not there," laments a investment banker, after

Deing chased to the sidelines by a host of conflicting worries.

One of these worries is how much further dollar interest rates can decline. President Ronald Reagan has said he would consider moving forward to early 1983 the personal tax cut scheduled to be introduced

ECU medium to EUA long term.

nt'i inst. lg term FLx..

at mid-year. But the Fed chairman, Paul Volcker, told Congress last **Eurobond Yields** week that he opposed accelerating For Week Ended Nov. 24
Inflinst. ig. term USS
Ind. long term, USS.....
Ind. medium term, USS.....
Con.S medium term
French fr. medium term....
Inflinst. ig term yen..... the date, implying that such fur-ther expansion of the budget deficit could cause the Fed to halt its easing of monetary policy.

Even without an acceleration of

the tax relief date, analysts are becoming increasingly concerned about the size of the federal budget deficit and its tendency to expand as the long awaited economic recovery is delayed further. Ques-tions are raised about how the def-joit will be financed and what im-(Millions of U.S. Dellors) pact this will have on bond market

. A related worry is the effect an outflow of foreign capital from the United States could have on do-

mestic interest rates. There already are signs that foreign investors are beginning to move out of the dollar. The temptations to do this are great. Many are holding high coupon bonds on which they are showing large capital gains. And given the dollar's recent strength on the exchange market, many foreign investors could earn large foreign exchange profits by selling dollars for their native currencies.

investors are tempted to take these profits while they have them, be-cause they could evaporate quickly. While the dollar is 3 percent below high, investors got a reminder from the decline of the British pound of how fast an exchange rate can move once it starts. The pound fell 2.7 percent last week, which put it 4.3 percent below a week earlier and 6 percent below the level of late October.

While bankers report there has been some profit taking and movement out of the dollar, they warn it could be dangerous to be too aggressive a seller of dollars. "The dollar has bounced back too often in the recent past," notes a British banker.

"We're giving thought to advising clients to sell dollars, but we haven't yet," says a private Swiss banker. "There are too many unpredictable factors — political factors, fears of financial stability — which make us a supplier of the said of the lineasy to advise selling dollar holdings. The return on dollars is still more attractive than available in other currencies." In addition, he says the the liquidity of the dollar market is reassuring.

But the market's lack of performance last week made perfectly clear that new money is not being committed. Investment banks are sitting on large inventories of paper that are quoted at discounts steep enough to erase any hope of a profit from having underwritten the issues.

This decline helped narrow the very wide gap that had existed between yields on new issues and those available on the secondary market. The new issues almost uniformly now yield more than 11 percent while seasoned issues yield around 12 percent.
On the new issue market, BHP of Australia sold \$100 million of eight-

year bonds at par bearing a coupon of 12 percent. Marketing of the issue was not helped by the fact that investors could buy higher-yielding BHP

(Continued on Page 19, Col. 1)

# Agreement Reached to **Buy Pabst**

By Alexander R. Hammer New York Times Service

NEW YORK - The hotly conested battle for control of Pabst Brewing, the fifth largest U.S. brewer, appears to have been all but won by G. Heileman Brewing. Heileman said Friday that Irwin L. Jacobs, a dissident Pabst shareholder who led a rival group seek-ing control of the brewer, had en-

dorsed its new offer for Pabst and had agreed to tender 1.14 million Pabst shares to Heileman immedi-Under a new offer announced

Friday; Heileman, the fourth-largest U.S. brewer, said it would offer \$29 a share in cash, or about \$162.4 million, for up to 5.6 million Pabst shares.

In a second step, Heileman said, it would issue 10-year, 15-percent notes with a principal amount of \$24 for each of Pabsy's remaining 2.6 million shares, yielding a total indicated value for the deal of \$225 million.

Heileman also said that, subject to court approval, it would pay \$7.5 million to the Jacobs group to cover costs of litigation and related expenses. The Pabst shares to be tendered by the Jacobs group will not be subject to withdrawal, Heileman said.

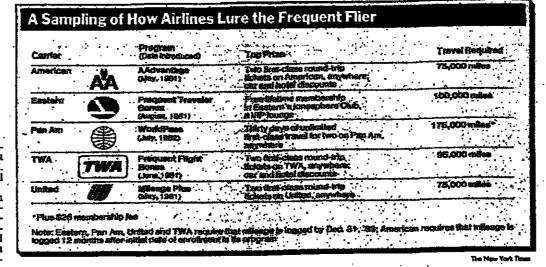
In an offer that had been en-dorsed by both the Justice Department and Pabst management, Heileman had previously offered \$27.50 a share for 5.5 million Pabst shares, Mr. Jacobs and his associates sought 3 million Pabst shares at \$35 a share through their JMSL

Acquiring Corp.
Mr. Jacobs said in a statement Friday that he and three associ-ates, Dennis Mathiesen, Daniel Lindsay and Gerald Schwalbach, had accepted the new offer and would tender 1,140,305 shares to Heileman, But Mr. Jacobs stressed that he was not speaking on behalf of JMSL Acquiring, and the company's offer apparently would re-main on the table.

Paul Kalmanovitz, a 50-percent wner of JMSL Acquiring, said Friday that he had not agreed to the accord with Heileman. Mr. Kalmanovitz, who has ma-

jor holdings in the General, Pearle and Falstaff Brewing companies, said he had already rejected an offer of \$5 million in cash from Heileman to withdraw from the bidding for Pabst.

JMSL's \$35-a-share offer for Paber would be continued until



# For Air Travelers, a New Wrinkle: Fly 75,000 Miles, Get to Hawaii Free

New York Times Service
NEW YORK — Chalk up 75,000 miles on United Airlines and take off first class to Hawaii for free. Fly 95,000 miles on TWA and get tickets to Rome, plus a cut-rate room at the Hilton and a discount on an Avis car. At American Airlines, you can even accumulate miles sailing on a cruise.

So goes the frequent flier sweepstakes, the hottest marketing game invented by the ailing U.S. airlines to buckle more people into their jets. Passengers willing to spend long stretches of miles airborne are finding themselves showered with free rides, all the way up to free world travel for two for a month.

The airlines, though they are loath to divulge specifics, boast that the programs have brought in badly needed revenues at minimal cost. After all, they are giving away seats that generally are empty. Some corporate travel departments, though, are miffed that they do not share in the bonuses.

A clear-cut effect of this hoopla is the emergence of nrky travel habits. When many businessmen make their arrangements, they are concerned not so much with the next available flight, but with choosing the airline on which they have already flown thousands of miles. Some people are forsaking nonstop flights and waiting longer at airports, just to get closer to their

All this attention to frenetic fliers started in May 1981, when American Airlines kicked off its AAdvantage program. The game has been escalating ever since. "We are attempting to build brand loyalty in a commodity market," said Thomas Plaskett, Ameri-

can's senior vice president for marketing.

The airlines are striving to build that loyalty among a choice group of fliers. They figure that fewer than two million Americans - mostly businessmen - are airborne for more than 12 round trips a year, yet these people account for a disproportionate share of airline revenues. These are the frequent fliers.

Courting them has buoyed the hopes of the big carriers. "We've found that it has had significant impact on our revenues," said Nick Michael, manager of direct marketing for Trans World Airlines. American says it has led to millions of dollars of new business. The airlines do acknowledge that they periodically get testy calls from corporate travel departments won-

dering why they are not cut in on the prizes. "These are the same companies that call up and want volume discounts," an American employee said. "These are

the same companies that call up all the time."

A few companies track the mileage of their employees and, when awards are due, claim them and apply them to business trips or dole them out as awards to employees. Most, though, find it not worth the bassle. A deeper concern is whether travelers are stealthily

heduling unnecessary trips, or circuitous routes, at additional cost to their companies, in order to rack up miles. One travel agent told of a man who flies from New York to California weekly, customarily going ponstop. However, one of the airlines was offer bonus for extra trip segments, so he arranged to stop in Dallas, get off, then board another plane.

A further aim of frequent-flier gimmicks is to get information for airlines on who their best customers are, so the carriers can mail them special offers. "This is really a story of changing the way we market the product," American's Mr. Plaskett said, "We can spend a lot of money — and we do — advertising in the media and reach a lot of people. We can spend much less money reaching just our best customers

He offered this example: "We wanted to respond to a competitive move in Texas whereby, for a few dol-lars more, you can fly first class if you're a frequent flier. I guess that our competitor spent on TV and newspapers \$1 million to \$1.5 million to advertise this. We responded with a direct mailing to our frequent fliers in the Fort Worth-Dallas area at a cost of little less than \$60,000."

The airlines keep tacking on new wrinkles in an effort to outdo each other. American teamed up with the cruise ship line Holland America so that a traveler could get air miles at sea or apply mileage on American toward a cruise. Hertz recently introduced a frequent renter program that allows customers to amass points toward free car rentals and toward tickets on American and Eastern. Continental gives a free flight, then the passenger works off the debt with travel.

Pan American offers what it trumpets as the "richest frequent traveler program in the world." Anyone who runs up 175,000 miles on Pan Am in a year gets a pair of first-class passes for unlimited travel on Pan Am for a month, a bonus that could be worth many thousands of dollars.

# Brazil Will Seek Loans From IMF Of Up to \$6 Billion

By Oliver Wates

RIO DE JANEIRO - Brazil will seek loans of almost \$6 billion over three years from the International Monetary Fund, the govern-ment has announced. Negotiations with ranking IMF officials are to

begin here on Monday.

The finance minister, Ernane
Galveas, told reporters Friday that
Brazil is seeking the loan to avoid defaulting on its estimated \$85 bil-lion in foreign debt, which is be-lieved to be the largest in the

If the aid is provided, IMF officials will monitor the Brazilian economy until 1986 to ensure the government implements policies oproved by the fund. It was also reported late last

week that commercial banks are considering a further \$1.5-billion loan to Mexico, whose estimated \$80 billion in foreign debt is the world's second largest. Those funds, if approved, would be used to repay overdue interest on Mexico's private sector debt, foreign bankers said in Mexico City.

They said accumulated unpaid interest is approaching \$1 billion and represents a major stumbling block in efforts to arrange fresh credits for Mexico.

Banking sources in New York said last week that the IMF, which has tentatively agreed to lend Mexico \$3.84 billion over three years, had asked banks to lend the country \$6.5 billion before the end of 1983. The IMF managing director, Jacques de Larosière, asked the banks for commitments on the new loans by Dec. 15.

Foreign bankers in Mexico City said Mexico wanted \$1.5 billion this year and the remainder in 1983. It has promised the IMF not increase public-sector borrowing by more than \$5 billion next

The foreign bankers expressed surprise at the speed with which the IMF wanted the commitments, especially since Miguel de la Madrid Hurtado will not take office as president until Wednesday.

However, they said U.S. banks, some of which have made more than half of their loans to Mexico's private sector, were anxious to find some solution to the problem of overdue interest payments. Unless they receive interest on

these loans within the next few weeks, some U.S. banks will be required to declare the loans non-performing and set aside reserves to cover them, they said.

The bankers said they did not know if Mexico would receive any of the \$1.5 billion if the new loan were granted. The money could in-stead be transferred directly to banks owed interest by the private sector.

Since August, when Mexico de-faulted on its debt, small and me-dium-sized banks, especially in the United States, have become increasingly skittish about lending to developing countries. This appeared to explain the lack of appeared to explain the lack of surprise among international bankers over Mr. Galveas an-nouncement Friday in Rio de Janeiro that Brazil, too, would seek IMF aid.

Mr. Galveas said talks on an agreed economic program would begin on Monday, after the arrival of the IMF's Western Hemisphere director, Horst Struckmeyer. He also said he hoped to present a formal application by Dec. 15.

The IMF loans, if approved would cover only a small part of Brazil's needs. The rest would have to come almost entirely from commercial banks.

Brazil is seeking a jumbo loan of \$2 billion to \$3 billion to help meet payment of foreign debt for the first quarter of next year, foreign banking sources said late last week. Details are also falling into place for \$1.2 billion of 90-day bridging loans from 12 interna-tional banks to help Brazil finance its balance of payments to the end of the year, the sources said.

Before Friday's announcement, Brazilian officials had seemed confident they could continue to roll over the debt and spread repay-ment over a manageable period.

But after Mexico sought a delay on repaying its loans, bankers became convinced that it was only a matter of time before Brazil sought out the IMF. They said the timing of the announcement was important, coming after national elec-tions earlier this month, and before President Ronald Reagan's visit here this week. An announcement after the visit could have been interpreted as a result of U.S. pressure, they said.

# OPEC Ministers to Meet Dec. 19 in Vienna

KUWAIT — OPEC oil ministers will meet Dec. 19 in Vienna to try to reach a new agreement on prices and production and stop a develice war, it announced here Sunday.

The Kuwaiti minister of state for cabinet affairs, Abdul-Aziz Hussein, announced the date and venue after a cabinet meeting, which was briefed by Oil Minister Ali Khalifa al-Sabah.

The meeting of the 13 members of the Organization of Petroleum Exporting Countries was originally set for Dec. 9 in Lagos, but Nigeria opted out as host after some Gulf countries opposed holding the cru-

BONN - Franz Josef Strauss

and several other leading West

German politicians have been questioned by prosecutors about charges that a West German com-

pany made improper campaign

contributions, according to the news magazine Der Spiegel. Officials have disclosed that

they are investigating whether a

West German company made

targe, clandestine contributions to

the three major political parties in

Der Spiegel said that on Mon-day it would print the text of depo-sitions it said leaders of all three

parties made this autumn to pro-secutors. The Friedrich Flick

group, a privately owned holding company, is said to have made

large under-the-table contributions

By Carl Gewirtz

LiPARIS — Despite the pleas from

entral bankers and other mone-

hry officials that bank lending be

ept flowing, the syndicated loan

SYNDICATED LOANS

commercial

arket remains virtually shuttered

rerwhelmed by the debt problems such major borrowers as Mexi-Argentina and Brazil, refrain

banks.

nai Herald Tribus

exchange for tax favors.

session, the ministers will have to try to share out a dwindled market

minister, Humberto Calderón Berti, said Saturday in Caracas that OPEC ministers will try to iron out differences on prices and production levels in intensive contacts be-

fore the Dec. 19 meeting. He told reporters that several OPEC members had asked for a postponement of the meeting. "Oil ministers of some countries are going to take advantage of this ad-ditional time to make personal contacts," he said, adding: "There is no doubt that several OPEC

Strauss Reportedly Queried in Probe

in its effort to obtain a waiver of \$175 million in taxes resulting

from its sale of a 29-percent share

of Daimler-Benz, the automaker, in 1975 for \$781 million.

man of the Christian Social Union; Josef Ertl, minister of agricul-

ture and a Free Democrat; Horst

Ehmke, the floor leader in the Bundestag for the Social Demo-cratic Party, and Alfred Dregger, the Christian Democratic floor

According to the magazine, Mr.

Strauss was questioned about con-

tributions from 1975 to 1979 total-

ing \$378.4 million. The other offi-

cials were questioned about

smaller contributions, the maga-

Among the officials whose depositions the magazine said it would publish were Mr. Strauss, chaircial difficulties."

OPEC ministers would meet on for OPEC crude oil among the group's members.

Dec. 18 to try to reach a comprosion of both countries' high production levels. Venezuela had a traditional price structure based on \$34 a bar-rel and establish mechanisms to preserve a balance between supply and demand in 1983, he said. Oil ministry sources in the Gulf

said the formal session might extend to Dec. 20. Energy ministry officials in Venezuela said Mr. Calderón Berti had been invited by Iran's oil minister. Mohammed Gharazi, to visit

Tehran before the OPEC meeting for consultations on the market sit-

The names of the politicians

were listed in documents prosecu-

tors confiscated in July at Flick of-

Among the officials being inves-tigated are Economic Minister

Otto Lambsdorff, a Free Demo-crat, and Hans Matthöfer and Manfred Lahnstein, both Social

Democrats and ministers under

All the people named in connec-

earlier this month after it was learned that the Flick group

planned a major management

shake-up, involving the departure

of a senior executive. Eberhard

von Brauchitsch, who is also under

Chancellor Helmut Schmidt.

fices in Düsseldorf.

illegal activity.

atin American Debt Nearly Shutters Market

nation. It was not known if he would go. The officials said the invitation

role in OPEC as a mediator. Venezuela produces 2.28 million barrels a day against its OPEC quota of 1.5 million, while Iran re-portedly produces about 2.5 million barrels a day against a 1.2 million OPEC quota, which it never

accepted. Mr. Calderón Berti has said that if OPEC could not reconcile its differences, there could be a disastrous confrontation at the Vienna meeting. This could lead to a new round of price cutting.

Several countries are charging less than OPEC's \$34 a barrel ref-

while several ministers, including the Saudi oil minister, Sheikh Ahmed Zaki Yamani, have said they would prefer to keep the \$34 price, other ministers have said the outcome of the December meeting could not be prejudged.

Industry analysts in London have said it would be difficult to reach an agreement on individual output quotas with agreed varia-tions in price to take account of quality unless Saudi Arabia com-promised with Iran and Libya on

tion with the case have denied any ■ Subroto Doubts Split Indonesian Oil Minister Subroto Interest in the case was revived

told United Press International in Jakarta that there would not be a split in OPEC over price and pro-duction at the organization's Dec. 19 meeting. He said that the oil glut will continue to favor a price freeze, and "prices will remain the

#### **CURRENCY RATES**

Interbank exchange rates for Nov. 26, excluding bank service charges. 17,8255 90,98 • 3,5022 525,24 0,3619 257,48 • 0.069 • 4.299 x 2.3224 2.7168 45,437 1,993 53,2071 2,3319 6.5645 1,340,45 7.684 1,567,85 9.4537 N.A. • 0.0014 0.0064 0.1333 0.0247 0.9455 0.2723 0.0316 0.004 1.4224 0.4227 0,1393 0,1062 0.011 Astrian schilling 17-July astrian schilling 17-July astrian schilling 17-July astrian schilling 18-July astrian schill schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schill schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schill schilling 18-July astrian schilling 18-July astrian schilling 18-July astrian schilling 18-Ju Japanese yen 251,18 Kowatii dinar 0,2922 Moley, riaggii 2,366 Norw, kress Phili, pesso 9,4162 Port, escudo 91,624 Soudi riyal 3,4465 e 746.35 to 119.65 to 7.585 46.60 21.9781

CStarting: 1.1848 irish £ (a) Commercial franc. (b) Amounts needed to buy one pound. (\*) Units of 100. (x) Units of 1,000,

#### FEDERATIVE REPUBLIC OF BRAZIL

U.S. \$20,000,000 10%% Bonds due 1984 ("A" Bonds) U.S. \$5,000,000 Floating Rate Bonds due 1984 ("B" Bonds)

Notice is hereby given to Bondholders-that, on November 16, 1982, the amounts of U.S. \$2,400,000 for the "A" Bonds and U.S. \$600,000 for the "B" Bonds have been drawn for redemption in the presence of a Notary Public, in accordance with the terms and conditions of the issue.

The following "A" Bonds will be redeemable cum coupon n° 17 on and after December 24, 1982:

3337 to 3930 incl. Bonds: U.S. \$3,200,000

Bonds: U.S. \$ 800,000.

KREDIETBANK S.A. LUXEMBOURGEOISE Luxembourg, November 30, 1982.

These securities having been sold, this announcement appears as a matter of record only.



#### INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Washington, D.C.

AS 600,000,000

91/4% Austrian Schilling Bearer Bonds 1982/92

Creditanstalt-Bankverein

Girozentrale und Bank der österreichischen Sparkassen Aktiengesellschaft

Österreichische Länderbank Aktiengesellschaft

Genossenschaftliche Zentralbank

Bank für Arbeit und Wirtschaft Aktiengesellschaft

Bank für Kärnten Aktiengesellschaft Bank für Tirol und Voranberg Aktiengesellschaft Österreichisches Credit-Institut,

DIE ERSTE

Aktiengesellschaft

Österreichische Postsparkasse

Aktiengesellschaft

Österreichische Spar-Casse Zentralsparkasse und Kommerzialbank, Wien

Bankfür Oberösterreich und Salzburg Österreichische Volksbanken-Aktiengesellschaft

Schoeller & Co, Bankaktiengesellschaft

# مكذامن الأصل

#### m making new commitments. The banks are working feverishto help the South Americans s, but other business is not Even assuming that the current oblems are contained without Lijor mishap for borrowers or

market may never regain its for-mer vigor. The long-held view that lending to sovereign states was safer than traditional domestic banking business has now been

shattered. While it remains true that sovereign states do not go bankrupt and disappear, as corporate clients can, talks with bankers reveal that they are increasingly turning their at-tention back to their domestic markets and clients and away from the international arena. They cite superior expertise in their home markets and the higher profits through direct lending and ancil-

lary business. The easy profits to be earned in the international market — low costs for infrastructure relative to the high costs of domestic retail business — have either disap-peared or have been whittled too thin to be meaningful. And the

business has expanded farther than many bankers now think is This is not to say there will be a

total withdrawal from the international arena. Rather, the picture that emerges for the Euromarket is an enlargement of the West Ger-man and French experience: Lend-ing will be tied to finance the exports of their domestic clients. This does not eliminate the risk for banks, as the heavy West German exposure to Poland demonstrated, But in many cases the export finance is insured, whereas pure financial credits are not. While U.S., Japanese, British and Canadian banks are likely to

move in this direction. Arab banks will not have the same option. And

in fact they currently are the one

active sector of the market.

loan for Iraq that will pay 1 point over the London interbank offered rate. UBAF is also in the very early stages of discussing a loan of up to \$200 million for Jordan. Mideast bankers are also leading

an effort to organize a \$100-mil-lion loan for Tunisia, which they describe as one of the most under-borrowed countries in the world. According to the latest data from the Bank for International Settlements. Tunisia owed banks \$923 million at mid-year, and had \$617 million on deposit with those banks. Tunisia is looking for an eight-year loan and bankers are arguing whether it should pay a half-point over Libor or a split 1/2- %

point over Libor.

Skimpy pricing is said to be hurting the marketing of the \$300million, eight-year loan for the Ko-

International Bond Prices — Week of Nov. 25 Provided by White Weld Securities, London, Tel.: 623 1277; a Division of Financiere Credit Suisse - First Boston HIGHEST YIELDS 71/2 \*\*Sides | 1811/4 7.27 7.48 | 1811/4 7.27 7.49 | 1811/4 7.27 7.49 | 1811/4 7.27 7.49 | 1811/4 7.27 7.49 | 1811/4 7.27 7.49 | 1811/4 7.27 7.49 | 1811/4 7.27 7.49 | 1811/4 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 1811/4 7.49 7.49 | 181 dm 50 Ardel Os Sunnel
dm 51 Ardel Os Sunnel
dm 52 Bergen Cily
dm 50 Bergen Cily
dm 50 Bergen Cily
dm 50 Bergen Cily
dm 50 Bergen Cily
dm 50 Norgen Kommunghi
dm 50 Norgen Kommunghi
dm 50 Norgen Kommunghi
dm 101 Norgen Kommunghi
dm 102 Norgen Kommunghi
dm 103 Norgen Kommunghi
dm 103 Norgen Kommunghi
dm 104 Norgen Kommunghi
dm 105 Norgen Kommunghi
dm 105 Norgen Kommunghi
dm 106 Norgen Kommunghi
dm 107 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommunghi
dm 108 Norgen Kommu 9 34 17 July 18 JULY 1 7.77 8.58 7.78 8.40 7.78 8.40 7.78 8.40 7.78 8.40 7.78 8.40 7.79 2.10 8.40 8.10 1243/5 san ya 244 M

M M

A4 M

520 246

140 246

540 130

141 246

540 130

1480 D

FF 45

21 157

250 144

11,10 144

414 P

415 50

130 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 171

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170

140 170 220-52 150 LSI 540 Doth Nigeon Printing
6.3/4 % 1976 Aury
Doilel Inc.
6.1/2 % 1976 Aury
Doilel Inc.
6.1/2 % 1976 Aury
Doilel Inc.
6.1/2 % 1976 Aury
Doilel Inc.
6.1/2 % 1976 Aury
Dothers Securities
5.1/2 % 1976 Sep
Fullmur Person
6.1/2 % 1976 Sep
Fullmur Person
6.1/2 % 1976 Sep
Furthsone Electric
6.1/2 % 1976 Sep
Furthsone Electric
6.1/2 % 1976 Sep
Furthsone Electric
6.1/2 % 1976 Sep
Hillochi Costel Lod
6.1/4 % 1976 Sep
Hillochi Costel Lod
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1977 Sep
Hillochi Costel
6.1/4 % 1977 Sep
Hillochi Costel
6.1/4 % 1977 Sep
Hillochi Costel
6.1/4 % 1976 Sep
Hillochi Costel
6.1/4 % 1977 Morr
Milsone Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineering
7.1/4 % 1976 Morr
Hillochi Engineeri **DM STRAIGHT BONDS** S 15 525 525 31 424 26.56 426 2 Jun 73 2 Jun 73 1 Jun 67 Incharity 539 34 31 Mor 69 Incharity 533 31 Mor 69 Incharity 543 273 Incharity 545 173 1 Jun 79 Incharity 545 173 1 Jun 79 Incharity 547 175 15 Jun 77 Incharity 547 175 15 Jun 77 Incharity 547 174 15 Mor 73 Incharity 537 175 Incharity 537 175 Incharity 537 175 Incharity 547 176 Incharity 537 175 Incharity 537 175 Incharity 537 175 Incharity 537 175 Incharity 537 175 2215 £20 1334 622 3485 415 5 100 5 20 431- 127 \$ 300 \$ 15 \$ 440 \$ 350 \$ 275 \$ 25 \$ 37 \$ 300 \$ 500 \$ 500 \$ 16 اكفا نائية -AM- 257 93 1/2 344 96 68 3/4 157 125 196 P 96 102 38 3/4 484 455 1.9
100 1/7 7.91 7.74 1.21
100 1/7 7.91 7.74 1.21
100 1/2 7.91 7.75 7.78
101 1/4 1.07
101 1/4 1.07
101 1/4 1.41 1.34 1.41
101 1/4 1.41 1.34 1.41
101 1/4 1.41 1.34 1.41
101 1/4 1.41 1.34 1.41
101 1/4 1.41 1.41 \$ 20 \$ 20 Treasury Bills \$35 94d 7.754/5526 7.757/7.778 7.757/7.758 8.8110 8.427 8.40 8.40 8.40 8.40 5.40 5.39 95 1/2 \*/7 91 1/4 \*/8 97 1/4 \*/8 97 1/4 \*/8 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 97 1/2 \*/7 113 77 7.07 7.08 7.97 6.89 7.92 7.24 6.21 7.24 6.44 8.29 4.00 1.30 MIDLAND-ROSS CORPORATION S 80 S 186 30,12 3.89 454 1.33 HIGHEST CURRENT YIELDS -22.67 2.49 On convertibles having a conversion premium of less than 10%. has acquired certain assets of and will produce the products formerly made by 4.15- 1.85 42- 1.85 1.37- 1.83 44.14 1.73 4.17- 44 6 % 1992 Sep Mittle Ellertric Ind 6 % 1794 Sep Mitte Ellertric Ind 6 % 1794 Sep Mitte Ellertric Ind 6 % 1794 Sep Mitte Ellertric Ind 5 3/4 % 1794 Sep Mitte Ellertric Ind 5 3/4 % 1794 Sep Mitte Ellertric Ind 5 3/4 % 1795 Sep Sep Mitte Ind 6 % 1/4 % 1797 Sep Sep Mitte Ind 6 % 1795 Sep Sep Mitte Ind 6 % 1795 Sep Sep Mitte Ind 6 % 1795 Sep Sep Mitte Ind 6 % 1795 Sep Sep Mitte Ind 6 % 1795 Sep Sep Mitte Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep Sep Ind 6 % 1795 Sep In 5 20 DYCHINIM
South Ceils Edi 389
12 1/2 % 1977 Aug
Tovior Woodraw
83/4 % 1978 Dec
Jocca Co Lat
71/2 % 1975 Sea
71/2 % 1975 Sea
71/4 % 1975 Sea
71/4 % 1976 Sea
71/4 % 1976 Mor
Anon Colorial Co Lite
7 % 1974 Mor
Anon Colorial Co Lite
7 % 1974 Mor
Anon Colorial Co Lite
7 % 1974 Mor
Anon Colorial Co Lite
7 % 1974 Mor
Anon Colorial Co Lite
7 % 1974 Mor
Anon Colorial Co Lite
7 % 1974 Mor
Anon Colorial Co Lite
7 % 1974 Mor
Anon Colorial Co Lite
7 % 1974 Mor
Anon Colorial Co Lite
9 1/2 % 1974 Sep
11/2 % 1974 Sep
11/2 % 1974 Sep
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 % 1974 Mor
11/2 546 150 6.60 1.23 HOLLINGSWORTH SOLDERLESS i 15 **ZERO-COUPON BONDS** 540 TERMINAL COMPANY 1.22 .43 1.01 1.27 5.42 1.27 75.89 2.49 2.04 1.25 Original Originals
Amil Year Price
Amil Year Price
Sum 1822 25.73
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70
Sum 1822 25.70 \$15 \$60 \$25 \$30 \$50 \$50 Office of Price of Training Street of Training Stre The undersigned initiated and assisted in this transaction 16.79 L17 530 \$.50 DENNEY & COMPANY, INC. 402 316 #1/2 \$ 50 \$ 70 \$ 40 \$ 50 \$ 20 \$ 40 \$ 50 \$ 50 The world at your finger tips. 30,77 £14 257 224 Pittsburgh Geneva Explanation of Symbols 427 270 3.90 2,0

اهكذامن ليُحل

Price to be set Dec 6

whether this is not simply a syndi-cated loan providing bankers with

a higher return (due to the un-

derwriting commissions) than Denmark would like to be seen

The Deutsche mark sector of the

West German bankers still

market benefited from the mark's

improvement against the dollar.

complain that the scheduled vol-

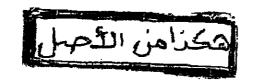
ume of new issues is heavier than can be comfortably absorbed. As it

was, two issues, by Nissan Motor

and Toray industries, were can-

moved the incentive for Japanese

paying on a syndicated loan.



# **NEW EUROBOND ISSUES**

	100	<b> </b>	Borrower	Amount (millions)	Maturity	Coupon .	Price	Yield At Offer	Terms
	天文	y, vile Netavaja	ff.ca.t		1800	114	. <b>?</b> 9%	11.90	First collable at 101 in 1987, Popular lan. 25, 1983, Coppor increased from 11975.
1	T or			() <b>(20</b> )-	1990	12	. 160 .	12	First collecte or 101 in 1988, Payable Jun. 19, 1983.
	i. 4				1789	+ <b>V</b>	100		Over 6 month Liber, Minimum coupons \$14%. Optional redemption in 1987.
					1987	10%	open		Terms to be set Dec. 2. Psychia Dec. 21. Each \$1,000 band corries a 5-yr rearrant extraorbic into yen equivalent of \$1,000 of company's shares at an emicipaina 2.5%
				1700	1977		100	9	premium. Communication on anticipated 5% premium starting Feb. 15.
情事 S <sup>F</sup> C				40		* *	100		Over Libor, Rooting rate certificates of deposit.
• -	1	ENEL		DM 100	1989	8%	99%	8.95	Noncollable.
<b>∌</b>	16	European I	Investment Bank -	DM 200	1992	. 81/4	100%	<b>8.2</b> 1	First callable at 1011/2 in 1989.
• [ [		Gould int'i	Finance	<b>дм 75</b>	1989	81/4	100	81/4	First callable at 1011/5 in 1986.
		Oest Land		ъм 50	1987	81/4	100	81/4	Noncallable. Private placement.
		Sumitomo	Realty & Dev.	DM 50	1992	61/2	100	61/2	Convertible of an anticipated 5% premium.

# Dollar Market Still Weak Despite Fed Rate Cut

paper on the secondary market and the issue ended the week quot-

And the second s

ed at 971/2. Pegged to the growing interest in yen-denominated paper, Minusi Engineering & Shipbuilding of-fered \$50 million of five-year honds bearing a coupon of 10% percent and one warrant to buy the equivalent of \$1,000 worth of stock at a premium of some 21/2 percent over the prevailing Tokyo quote when final terms are set on

Dec. 2. In addition, Ajinomoto Co. is offering 10 million shares of comropean depositary receipts. The is-

(Continued from Page 17)

rean Development Bank. The bulk

of this — \$200 million — is priced at a half-point over Libor while the

remainder is priced at 20 basis

points (100 equals one percentage

point) over the U.S. prime rate, or

at 125 basis points over the adjust-ed rate for 90-day certificates of deposit if this is cheaper.

"The market wants higher pric-ing a critic says, "and the Koreans are wrong to try to buck

Indonesia is raising £125 million

(\$198.7 million) through the sale of sterling acceptances in the British

market. Bank Indonesia is the coli-

gor, although it will be acting on behalf of state-owned Indonesian

percent acceptance commission:

companies Banks will carn a 1/4-

and a ¼ percent commitment fee

on any unused portion of the five-

of \$80 million is being put together for Panama. Interest on the seven-

over Libor or 1% points over the

year revolving credit.

... In Latin America a

the uptrend."

kyo quote when terms are set on Dec. 3.

The state of the s

Svenska Cellulosa sold \$19.75 million of 15-year bonds bearing a coupon of 9 percent. The bonds are convertible into the company's common stock at a price of 367 kronor, a premium of 5 percent over the price when terms were fixed. The issue was marketed

mostly through brokers in London. This week, the European Community is scheduled to try to tap the U.S. market for up to \$300 mil-lion, but some bankers believe that

ficials were in Europe last week trying to arrange \$1.2 billion in

short-term loans from French.

British and West German banks.

The loans would be renegotiated

into medium-term loans next year.

The talks did not go-smoothly,

with the Europeans wanting clari-

fication on how this loan would re-late to the financial commitments

they had made in separate trade

In all, Brazil is looking for \$2

billion for 180 days, on which it will pay 1 point over Libor. The

Europeans say that the \$2-billion

target before year-end is not realis-

lieved by the comments made by

the Federal Reserve Board chair-

man, Paul Volcker, International

debt problems "will frequently require at least transitional financing

beyond amounts appropriate to, or feasible for, the international Monetary Fund and official lend-

he said. Then he advised that

where new loans facilitate the ad-

justment process and enable a

country to strengthen its economy and service its international debt

The U.S. banks were much re-

protocols with Brazil.

soing price will be set at a slight move the deal to the Eurobond discount from the prevailing Tomore cheaply than in New York. Also expected this week is a dol-

lar issue for Austria's Donaue Kraftwerke, which will serve as a swap into Swiss francs held by a British company.

In the floating rate note sector, Denmark is offering \$250 million seven-year notes bearing a coupon set at a quarter-point over the London interbank offered rate and guaranteed not to fall below 54 percent. Investors can request redemption after five years. A 20bank syndicate is underwriting the mon stock through the sale of Eu- if the EC decides to float the issue issue, evidence of the effort to

firms to borrow marks. Two of the issues marketed last week bore the marks of a struggle between the issuer, who wanted to keep their cost below 9 percent, and the managers, who sought a realistic return for investors.

of nine-year paper bearing a coupon of 8% percent at 99% to yield 8.96 percent, while ENEL sold 100 million DM of seven-year bonds bearing a coupon of 8% per-cent at 99% for a yield of 8.95 per-

ireland's paper traded at 98 for a yield of 9.21 percent, while ENEL's was quoted at 97% for a yield of 9.38 percent.

terreichische Länderbank at par, bearing a coupon of 8% percent. It ended the week quoted at a discount of 14 points.

three dropouts, a total of \$120 mil-The fact that the many smaller banks that had lent short-term percent, was well received and agreed to stay in the loan was greeted with relief by the major lenders, who had feared the small

Gould of the United States sold 75 million DM of seven-year bonds at par bearing a coupon of percent and was quoted as A \$100-million, three-year operation is underway for Banco Industrial de Venezuela. This is not a 9912-100.

teed by France, offered 50 million European Currency Units of 10bonds bearing a coupon of 121/2 percent. Pricing will be fixed

will be Philip Morris and the Inter-American Development Bank. International Herald Tribune

celled, reportedly because the sharp strengthening of the yen renow instead of waiting, it may market the paper among investors. Latin American Debt Halts Market

The withdrawal of these three

being refinanced. And rather than

holding their commitment to half of the \$560 million, they are will-

ing to put up only half of the new

total. This means that instead of

losing the \$60 million from the

banks might take this opportunity

formal consolidation of short-term

lion will be cut

to drop out

Ireland offered 150 million DM ers to INAVI, a state housing agency, agreed to extend for medium-term paper. The three banks reported they were having their own problems finding medium-

banks appeared to be affecting the level of participation by Japanese banks. They held 50 percent of the \$560 million in short-term loans

A small, five-year issue of 50 million DM was marketed for Os-

The European Investment Bank's 200 million DM of 10-year bonds, priced at 100% to yield 8.21 quoted at 99%.

Electricité de France,

Coming to the market this week



Foreign currency options: An important new dimension in foreign exchange...

The Philadelphia Stock Exchange is proud to announce the start of options trading in the world's five most heavily traded currencies - Deutsche marks, British pounds, Canadian dollars, Japanese yen and Swiss francs.

An alternative to the spot and forward or futures markets, foreign currency options offer individuals, financial institutions, and companies with international exposure a new trading opportunity, while providing the potential to limit risk.

And the way to participate.

Participation in the Philadelphia Stock Exchange's Foreign Currency Options program offers direct electronic and physical access to the PHLX trading floor - an important factor in this fast-paced market. 360 participations have already been sold, and now participations are available to non-members FOR A LIMITED TIME at the rate of \$10,000 each. THIS OFFERING WILL EXPIRE AT THE CLOSE OF THE BUSINESS DAY ON DECEMBER 9, 1982. For further information, call or write Melanie Mroz at the number or address below.

Trading on foreign currency options begins December 10, 1982.

# PIE Philadelphia Stock Exchange

The Phyladelphia Stock Exchange Building, 1900 Market Street, Philadelphia, PA 19103, USA (215) 496-5321 Telex 902-636

# Analysts Still Hopeful of Decline in U.S. Rates

By Michael Quint **Vew York Times Service** 

NEW YORK - A combination of an accommodative monetary policy by the Federal Reserve Board and weakening credit demands among large businesses is

U.S. CREDIT MARKETS

keeping alive the hope that short-term rates will decline further in coming weeks, analysts said. However, the latest data do not point toward an immediate drop in

The Fed is continuing to provide the banking system with an ample supply of funds at the same time business credit demands are

weakening, according to Fed data published late Friday. In the week ended Wednesday, the central bank supplied enough reserves to the banking system that banks and other financial institutions were able to reduce their bor-rowings from the Fed to an average of \$235 million, down \$271 million from a week earlier. Be-cause some banks had excess reserves, the banking system as a whole had a net free reserve posi-tion of \$16 million, compared with a net borrowed reserve position of \$85 million a week earlier.

institutions must hold in the vault or on deposit with regulators. By making reserves more plentiful, the Fed encourages expansion of lend-

ing and money supply. Business credit demands also renained weak, as business loans on the books of large New York City

#### Toshiba Produces Robots With Eyes

TOKYO — Toshiba, the Japa-nese electronics company, says it has put into operation the world's first set of robots equipped with eyes — visual sensors operated by cameras — and arms to handle as-

sembly line work.
Toshiba said Friday that the robot system is part of its program to automate fully the assembly processes which require workers to use their eyes and hands. The company said it plans to introduce the system widely in 1983 for the assembly and inspection of home ap-pliances and office automation equipment.

It said the system uses more than 10 small computers that process data and control the robots.

Reserves are funds that financial banks rose only \$3 million in the stititions must hold in the vault week ended Nov. 17, while business borrowings in the commercial

paper market fell by \$458 million. In the credit markets there was no reaction to the Fed data, which was released two hours after dealers in government securities agreed to stop trading. Earlier in the day, interest rates were mixed in very quiet trading. Treasury bill rates rose by about five basis points. Prices of notes and bonds rose by a quarter of a point at most.

Money supply and balance sheet data for large U.S. banks was de-layed to Monday because of the Thanksgiving Day holiday on Thursday. Analysis expect the basic money supply to increase by less than \$1 billion, but noted that the weekly changes are of little importance to the conduct of monetary policy or the level of interest

absent, the most significant development was the announcement that the Treasury on Tuesday will sell \$5 billion of cash management bills maturing in 50 days and \$3 billion of bills maturing in 143

With many market participants

It is well known among government securities dealers that the Treasury has been borrowing mon-

cating that it expects a budget deficit far higher than the official forecast of about \$115 million. According to analysis at Merrill Lynch, the Treasury will raise about \$57.9 billion of new cash this quarter, or \$10 billion more than government officials estimated a month ago.

**U.S. Consumer Rates** 

For Week Ended Nov. 26	
Passbook Savings	5.50 %
"All Savers" Certificates	6.49 %
6-Month Savings Certificates	8.82 %
Tax-Exempt Bonds Sond Suyer 20-Bond Index	10.76%
Money Market Funds Danoshue's 7-Day Average	8.60%
Home Morigage	74 67%

==									
Gold Options (prices in \$/02.)									
Рихи	Nov.	Feb.	Hay						
450 450 470 480	=======================================	29:00-23:00 14:50-17:50 11:50-14:50 7:00-10:00	37.00-41.00 31.00-35.00 23.00-27.00 17.00-21.00						

Valeurs White Weld S.A.

# CITICORP •

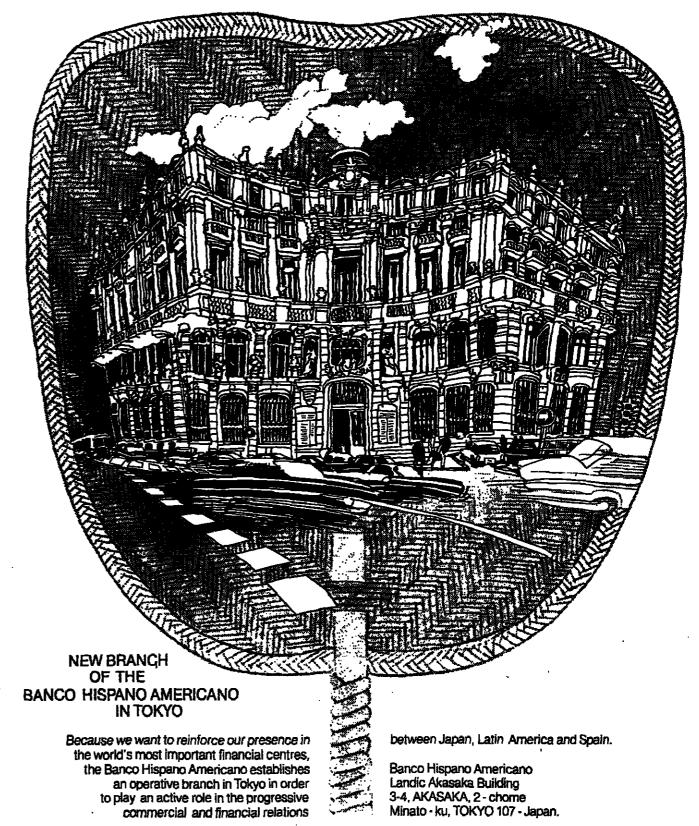
takes pleasure in announcing that Citicorp International Finance S.A. has been granted bank status

# CITICORP BANK (SWITZERLAND)

MERCHANT BANKING PRIVATE BANKING INVESTMENT MANAGEMENT

**LUGANO ZURICH GENEVA** 

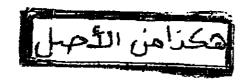
November 1982





Page 20			INTERNATION	AL HERALD TRIB	UNE, MONDAY, NOVEMBER	29, 1982		
NEW YORK (AP)-Meakly Over the stocks silving the Infah, low, and lost for the week with the net change arevicus week's lost bid arices. All supplied by the Notland Aspos Securities Destern, Inc., are to	bid prices 100s Histo from the 1 Suckritions Bancoki 20 115 17	Net	Soles in Net 109a High Low Lest Crige 540 159a 159a 159a 14 367 814 794 814 14 159 781 794 794 94 355 114 114 116	Over-the	-Counter	Solers In 100s High Low Lott 1 GravAdv 2.50a 1 73 73 73 GuarFin 184 12% 12 12% GaarCm 1.50 22 22 22 Guart 1.50 23 25 28 28 28 28 28 28 28 28 28 28 28 28 28	Net Chibe 100g High Low Last Chi 100g High Low Last Chi 100g High Low Last Chi 100g High Low Last Chi 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007 High 1007	to AMPYInd 2008 11th 10th 10ther). MPYInd 10th 5th 5th 5th 5th
transcalions but are representative in Prices at which these socurities could sold. Prices do not include rytoll markdown or commission. Sales supplied by NASD.	have been BacTx cv1.46 24 17	7% 17 17%+ ¼ 1	23) 304 250 254 7 78 134 136 124 4	67 23% 21% 21% 21%—2 47 74 74 77 78 78 18 27% 27 29% 4 190 8% 7% 76 4 304 9 8% 9 47 25 34 35 + 16	FDMstBn 1.50 201 21½ 21½ 21½ ½ ½ 1 ½ 1 ½ 1 ½ 1 ½ 1 ½ 1	Geradov 2.50s 17 77 77 77 77 77 77 77 77 77 77 77 77	1 invit.fixy.45 0 1392 1372 1303 1394 1394 1394 1394 1394 1394 1394 139	MACRON SE SE SE SE SE SE SE SE SE SE SE SE SE
Scies in 100s High Low L ABFort like 72 40% 47 ABC 20% 24 6 5% AFG 668 20% 180 AGM.00 17 13% 13% 13% 13% 13% 13% 13% 13% 13% 13%	Net SANERS 2.66 45 45 45 45 45 45 45 45 45 45 45 45 45	78. 44% 45% +114   Callew   Ca	772 274 274 28 +1 644 445 4 646-44 15 164 1645 1644-164 15 164 1645 1644-164 15 164 1645 1644-164 172 173 174 174 174 175 176 176 176 176 176 177 176 176 176 177 176 176 176 177 176 176 176 177 176 177	67 274 214 213-2 47 776 776 776 776 18 18 276 27 276 18 276 27 276 18 27 27 276 18 27 276 18 27 276 18 27 276 18 27 276 18 27 276 18 276 276 276 276 276 276 276 276 276 276	FINELON 20 30 TVL 30% 31VL FINELON 20 10 TVL 30% 31VL FINELON 20 10 TVL 30% 40% 40% 40% 40% 40% 40% 40% 40% 40% 4	Giffmar 70 99 11% 1877 78% Colfinac Fig. 51 54 53 57 67 67 67 67 67 67 67 67 67 67 67 67 67	Isomerican   Iso	17 According 19 20 20 31 35 30 10 10 10 10 10 10 10 10 10 10 10 10 10
ABC 201 24 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	State	752 2415 2415 774 544 545—78 754 545 545—78 754 545 545—16 754 545 545—16 754 545 545—16 755 11-16 755 11 755 11 755 11 755 11 755 12 7	57 29% 289 29% 4 4 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8 270 286 276 276 276 276 276 276 276 276 276 27	Presett   1.22   FT 1975	Feature 2013   197   1972   1974   1972   1974   1972   1974   19	10   10   10   10   10   10   10   10	## Mirater 1.39 ## 250 244 25 12 12 14 14 14 15 15 15 15 15 15 15 15 15 15 15 15 15
Acodina 2002 27% 27% 27% Acodina Accidente 137 7% 37% 34% Accidente 138 7% 34% 34% Accidente 140 21% 21% Accidente 140 21% 21% Accidente 150 30% 30% 30% 30% 30% 30% 30% 30% 30% 30	797-1-79 BOYSK \$1.00 455 344 BOYSANK 46 77 11 1756-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	14 374 344 Cizzin 24e 1 1044 11 154 174 174 Cizzin 24e 16 74 74 74 Cizzin 24e 16 74 74 74 Cizzin 34e 16 75 36 36 36 36 36 36 36 36 36 36 36 36 36	99 45 444 444 444 444 444 1314 1314 1314 1	247 13% 13 1 - 14 248 1347 42 28 41% 19 247 42 28 41% 19 25 37% 34% 27 77% 77% 33%-4 28 48 45% 28 + 25% 42 132 13 16 16% 16 44 45 25 27 25 27% 27% 26% 17% 26% 45 27% 27% 26% 17% 25 37% 37% 26% 15% 25 37% 37% 26% 15% 25 37% 37% 26% 15% 25 37% 37% 26% 15% 25 37% 37% 26% 15% 26 38% 27% 37% 26% 27 37% 13% 14% 46% 46% 27 37% 13% 13% 13% 14%	PIUBED 128 90 481/4 461/4 461/4 271/4 12 2 12 12 12 12 12 12 12 12 12 12 12 1	Nonerri 28	-112 Joseph um 23 659 659 659 659 659 659 659 659 659 659	## AlernaSU. ## 584 18% 18% 18% 17% 17% 17% 17% 17% 17% 17% 17% 17% 17
ABFORT-1469 72 4819 37 ABFORT-1469 72 4819 37 ABFORT-1469 72 4819 37 AGG 127 137 1810 1810 AGG 127 137 1810 AGG 127 137 1810 AGG 127 137 1810 AGG 127 137 1810 AMFI-11 266 67 AMFI-11 27 1710 ASS-Cost 112 127 127 AVMCD 130 514 514 1810 ABFORT-14 12 127 ACCURTON-14 445 114 1810 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 ACCURTON-14 341 174 174 174 174 ACCURTON-14 341 174 174 174 174 174 174 174 174 174 1	79   SdidCof   25   16   17   17   17   17   17   17   17	7 654 674 46 Chyr Bog 1.32 17 104 134 Chyr Bog 1.32 18 1579 1679 +1 Chyr Ry 1.53 18 1579 1279 1279 18 8 846 72 Chyr Ry 1 19 316 316 679 Chyr Ry 1 19 316 316 679 Chyr Ry 1 10 10 10 10 10 10 10 10 10 10 10 10 10 1	7802 2019 1716 19 2012 2019 1716 19 417 27 2044 3016 34 112 35 204 3016 19 112 35 3016 19 112 35 3016 19 113 17 3 70 70 110 7 7 7 100 7 7 7 100 7 7 7 100 7 7 7 100 7 7 7 100 7 7 7 100 7 7 7 100 7 7 7 100 7 7 7 100 7 7 7 100 7 7 7 100 7 100 7 100 7 100 7 100 7 100 7 100 7 100 7 100 7 10	221 2775 7776 2006+376 503 3674 2774 3064+376 503 3674 2774 3674+1 503 379 379 379 50 579 579 479 50 579 479 469 469 503 1647 16 1647 503 1647 16 1647 503 1647 16 1647 503 1647 16 1647 503 1647 16 1647 504 505 505 505 505 504 505 505 505 505 504 505 505 505 505 504 505 505 505 505 505 505 504 505 505 505 505 505 505 504 505 505 505 505 505 505 505 505 505	Finance Air 1974 1974 1974 1974 1974 1974 1974 1974	Hearth 5.2   726   1776   17   17   17   17   17   17	Jeffini_7	Mayricum 32 14 25 14 25 14 25 14 25 15 15 15 15 15 15 15 15 15 15 15 15 15
	1934 + 3e 28 - 28 - 28 - 28 - 28 - 28 - 28 - 28	14 3-16 3-16-1-16 Coccolvitor T 19 119 119 119 Coccolvitor Coccolvitor T 19 29 29 29 29 29 29 20 20 20 20 20 20 20 20 20 20 20 20 20	271 304 299 294 95 1	22 17-16 by 17-16-3 7]  12 17-16 by 17-16-3 7 17-16-3 7 18-3 7 18-3 18 18 18 18 18 18 18 18 18 18 18 18 18	Figure 19 20 20 20 20 20 20 20 20 20 20 20 20 20	Helshiff 93	TRON   125 746 7 7	### ARELYSUM 227 14 354 154 154 154 154 154 154 154 154 154 1
AbBCrrt 1 17 11 18 18 18 18 18 18 18 18 18 18 18 18	14   Sept. 18   Sept.	The content of the	67 16 15% 16 + 16 Durftom 2.00	103 4092 3797 4094 10 379 1196 1196 1196 10 364 2592 274 2596 116 279 79 79 10 262 796 274 276 10 768 2592 274 276 10 275 1092 17 1792 4	Formann 1.12 100 .2816 .2816 .2816	HiberCo I Alb 9 19 19 19 19 19 19 19 19 19 19 19 19 1	440 9 34 9	Marriche LM 87 200 200 55: 55: 55: 55: 55: 55: 55: 55: 55: 5
AloSchr 41 34 34 AloGun 1 1 AloMic 423 10 79/3 AlbuirCo 12c 47 6 4	16 39-4 td Billion 31-92 59 213 20 11 10 - 19 8 8 8 8 8 9 8 9 8 11 20 20 20 20 20 20 20 20 20 20 20 20 20	784 446 449+ 16 Coll.LAc.75  15 15 15 35- 16 Coll.LAc.75  16 13 134- 134- 146 Coll.Gan 20 Coll.LAc.75  16 13 13 145- 146 Coll.Gan 20 Coll.	772 21 28% 21 + 16 Omits 20% 20% 21 + 16 Omits	67 274 214 214 214 214 214 214 214 214 214 21	FrankEl 36 FrankEl 36 FrankEl 36 FrankEl 36 FrankEl 36 FrankEl 36 FrankEl 37 FrankEl 37 FrankEl 37 FrankEl 36	Historica Labb   13   13   13   13   13   13   13	10	Mettery  Met
ARBURCH 1.25 47 6 4 Albr. Sewer 35 1.16 Vs. Albr. Sewer 35 2.75 374 394 Albr. Sewer 325 374 394 Arbost 28 42 775 276 Armisot 28 42 776 276 Armisot 38 42 776 276 Armisot 38 41 576 276 Armisot 38 41 576 576 Armisot 38 41 576 576 Albr. Sewer 38 48 48 48 48 48 48 48 48 48 48 48 48 48	Surd out	94 94 94 4 Company 1.56 98 13 146+118 98 139 246+118 98 1394 2092-14 Company 1.56 98 1394 2092-14 Company 1.56 98 1394 1394 14 18 1394 1394 15 18 134 134-18 18 134 134 134-18 18 134 134-18 18 134 134 134-18 18 134 134 134-18 18 134 134 134 134 134 134 134 134 134 134	## 174   174	224 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	From 5 (3) 2 3 7 73 5 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	Horizes file 4 31/2 30, 30, 30, 30, 30, 30, 30, 30, 30, 30,	Contert   10   3   314   3110   3144   4   4   4   4   4   4   4   4   4	Microst   Micr
Alltr Seen 3 1-16 / 2 7/4 Alltr Seen 275 314 39/4 39/4 Alltr Seen 275 314 39/4 39/4 Alltr Seen 275 314 314 314 314 314 314 314 314 314 314	Section   Sect	Page   174	10   10   10   10   10   10   10   10	74 554 554 554 574 174 187 187 187 187 187 187 187 187 187 187	Finance 198  Finance 198  Finance 209  Finance 200  Finan	Horserty Alb Horse	Total	Alloys 200  Alloys
Agreet 48 Agrice 18 Agrice 19 Agrice 19 Aminut Aindmr 1,12b Ainde 18 Ainde	3814-2 BrenP.16 12 9	#2 314 9 CCTC  #3 314 1 14 CMPAsc  #4 15-16 1 1-32-3-32 CmptAut  #4 15-15 1512- 1512- 1 CmpD s.19  #5 74 84 1 4 CmpEnt  #5 56 + 16 CmpEnt  #5 56 - 16 CmpEnt	W2 14% 13% 14% 14 Elecape 1.12 417 14% 13% 14 ½ 130 15% 17% 17 18 1 120 14% 13% 14% 14 20 6% 6% 6% 6% 6% 6% 6% 15% 15% 15% 15% 15% 15% 15% 15% 15% 15	338 3844 36 3644-2 22 2345 23 234-2 146 1741 1495 1774+394 219 1244 1296 1296+ 96 128 1995 18 18 -149 313 1995 1746 1896-1	GRETRY JO 525 175 10% 19% 4 6 GRETRY JO 525 175 10% 19% 4 6 GRETRY JC 527 17 17 17 17 17 17 17 17 17 17 17 17 17	Idliewid 30	LidLinSt 290 37 9% 9% 9% 9% 4 9% 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Minesori 48 27 239 394 239 402 11 12 12 12 12 12 12 12 12 12 12 12 12
AMonii s 537 16 1574 Anothid 1 4 1174 1114	15¼ ¼ Buckbes 49 692 17W 11W BuckeyFn 51e 189 10V	16 16 3 14 16 16 16 16 16 16 16 16 16 16 16 16 16	276 746 674 746 746 256 256 22 11 11 114 36 256 22 167 157 16 - 34 27 18 174 18 264 274 274 274 18 1130 644 646 694 4 174 174 18 276 276 276 276 276 276 276 276 276 276	733 1945 1734 1814—1  732 1945 174 1945  52 1946 976 976 4  79 54 586 54 4  67 22 316 22 4 6  1526 344 378 34 34 414  553 374 38 38 38 18  100 76 678 776 18  101 11 1076 18  11 1076 678 776 18  11 1076 678 776 18  11 1076 678 776 18  11 1076 18	UNDER	Individual 1.50 a 20% 20% 20% 20% 10% 20% 10% 10% 10% 10% 10% 10% 10% 10% 10% 1	Lexidate 752 10 84s 10 +1 Libyy-lo 20 177 184s 161s 161s 161s 161s 161s 161s 161s 16	Martin J. 10 10 10 10 10 10 10 10 10 10 10 10 10
All Poor 20 27 27 27 27 27 27 27 27 27 27 27 27 27	1231- Va	6 2 . 2 . 2 . 2 . 2 . 2 . 2 . 2 . 2 . 2	STI 18 174 18  224 774 774 18  1110 494 496 692+ 14  318 1395 2795 2795 284  318 1395 2795 2895 284  40 195 1395 1795 295 295  112 29 29 29  29 194 1195 1195 1195 1195 18  20 274 29 275 295  20 274 29 275 285  20 274 29 275 285  20 274 29 275 285  20 274 29 275  20 274 29 275  20 274 29 275  20 274 29 275  20 274 275  20 275  20 275  20 275  20 275  20	7543 344 354 345 446 181 181 181 181 181 181 181 181 181 18	Gibsi-0.38 28 1374 1375 1376 4 4 Gibsi-0.38 28 1374 1375 1376 4 4 Gibsi-14.19 13 6 254 277 277 27 4 Gibsi-0.38 27 27 27 27 27 27 27 27 27 27 27 27 27	IndBnc.28r	+144   Libert 1.04e   149 25 34 36 -1   +136   Libert 1.04e   xit2 304 389 29 -1   -116   Libra 34b   284 294 284 296 29 -1   -116   Libra 34b   29 349 34 346 24   -116   Libra 52b   151 1112 1112 114   -116   Libert 1.04   10 1472 1472 1472   -117   Libra 510 11 14 14 17   -118   Libra 510 11 14 14 17   -118   Libra 510 11 14 14 18 +2   -119   Libra 510 11 14 14 18 +2   -110   Libra 510 11 14 14 18 +2	Magnitub #3 2 26 25400   16   16   16   16   16   16   16
Analy 30 76 64 612	22 1/2 + 1	## 17% 97% Con Fibr Con Fibr Con Fibr Con Fibr Con Fibr 28% 87% 8% Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% Con Fibr 2.8% Con Fibr 2.8% Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% Con Fibr 2.8% Con Fibr 2.8% Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr 2.8% AVA + V <sub>6</sub> Con Fibr	195 514 5 5 5 6 6 Exchange 40 8 Exchange 40 8 98 914 314 314 314 4 1 1 1 1 1 1 1 1 1 1 1 1	440 30% 30% 30% 101 8% 7% 5%+ % 31 11% 11 11%+ % 141 3 2% 32%+ % 72 16% 16% 16% 16%- % 30 35% 33% 35%- % 466 5% 35% 5 33%	31 544 -4 549	IntrTel 1436 11 10 11 11/4 10 11/4 17 17/4	+ 1/4 LineTel 2 70 3614 2414 2415+ LineBros 44 47 1616 912 915- LineBros 1 1 1574 1316 1316 LineBros 44 11 1574 1316 1316	Martines 240 57 1% 68 58 58 58 58 58 58 58 58 58 58 58 58 58
Andren 710 7% 692 Ancests I. Tre 51 29 29 Andr Go 1 159 24 227% Andreso 158 7% 7% Andreso 158 7% 7% Andreso 961 37 1 25 Andreso 961 37 1 25 Andreso 961 17% 17% Analas 5.15r 91 17% 17% Analas 666 963 12% 12%	24 + 34 CSP 77 19 724 + 34 CSP 77 19 4%+ 46 CS Inc 1955 94	1746 1746-114 Chust II/ 1819 1816-14 Convet 58 45 9 94 Convet 58 64 644-14 Corrs B.30 69 105 +7 Cords 1134 1136-14 Cords	141 104 19 10 16 14 Familico 10000 344 3092 3396 14 Familico 128 134 134 134 134 134 134 134 136 130 22 2114 22 2114 22 2114 22 2114 22 2114 22 2114 22 2114 22 2114 22 2114 22 2114 22 2114 22 2114 22 2114 24 Familico 20 Fa	14 3 3 3 251 676 676 676 675 672 474 470 + 15 42 3010 3010 3010 3011 1465 3778 3678 3774 + 16 224 6 575 576 476 165 5 478 476 48 64 13 176 13 + 116	GONGP AB   246   1746   1814   18192114   1816   1817   1814   1817   1817   1817   1817   1817   1817   1817   1817   1817   1817   1817   1817   1817   1817   1817   1817   1817	Intricity -10e 27 5% 5% 5% 5% 10e intricity -10e 27 5% 5% 5% 5% 5% 10e intricity -10e 27 5% 5% 5% 5% 5% 5% 5% 5% 5% 5% 5% 5% 5%	+ 2% Lorent un 4 2% 4 + 1	NCACA 172 139 13 - 13 - 13 - 13 - 13 - 13 - 13 -
Angles S. 15" 19 13"4 13"4 Angsia See 83 13"h 124e Angsia See 83 13"h 124e Angsia See 1316 87"6 811e; Angsia 21"h 21"h Angsia 14"1 23"h 18"h Angsia 15"1 12"h 12"h Angsia 15"1 13"h 13"h Angsia 15"1 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h 13"h 13"h Angsia 15"h Angsia 1	25 - 2 CACI Pd 260 250 250 250 250 250 250 250 250 250 25	76 642 634 CousnP 32 Covers 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1546 576 486 576+ 46 112 22 3054 3054 306 22 84 112 32 454 1570 3 2074 215-16+76 49 3 76 215 74 2074 1642 28 +376 59 1074 574 976-78 19 1074 574 976-78 19 1074 574 976-78	176 878 578 574 744 44 874 447 444 115 2778 2786 1778 14 15 278 174 1374 17 18 18 42 4574 458 457 17 18 18 47 77 18 18 18 18 18 18 18 18 18 18 18 18 18	GLABICAI 38 494 495 495 495 495 495 495 495 495 495	intiClin	- 46	Manifolds 400 199 199 199 199 199 199 199 199 199 1
Argoute 350 134 145 Art28nc.50b 228 1796 17 Arnoid 27e 25 1797 1797 Artop 9 56 554 Asst80c.72 14 39 39 Asst80c.72 214 56 674 Astrosv 177 189 57 Astrosv 177 189 57 Astrosv 177 189 57 Astrosv 177 189 57 Astrosv 177 189 57	77%_ + 10   ComRiy is   24   44   44   77%   76   76   76   76   76   76   7	16 Siz 344 19 CraffCto 56 Craf	49 1914 1814 1814 Finings Finings Finings 144 1814 1814 1814 1814 1814 1814 1814	237 979 978 979 236 274 2978 27 —2 272 2874 2774 2774 —1 177 1874 1774 1874 + 4 11 874 1774 1874 + 4 14 8 8 8 8 144 1874 1774 1874 + 11/2	NEW YORK [AP]— The following quote- tions, supplied by the National Association of Securities Dealers, Inc., are the prices of Martin 10,56 11,07	Exch 28.02 NL H I Com 11.81 12.65 TA Fre 6.45 NL US Gard 8.27 NL Fidelity Gays	12 Funds Parts May 182 Ask Nichola 21.5 M. Nic	Sk Bid Ask Bid Ask  Com St U.S. HL Transfer Sim Mark  I Com St U.S. HL Transfer Sim Mark  I Incom 11.51 NL TransCom U.S. HL  Int/ Ed U.S. NL TransC UI SA-EM-
ArtsWoy 8 95 35 35 34 34 34 35 35 35 35 35 35 35 35 35 35 35 35 35	23/4 7 Conscisii 20 23 10/6 5/7 4 Constisii 20 23 10/6 5/7 4 Constisii 20 23 10/6 1/74 4 Constisii 22 10/6 1/74 4 Consort 11/4 1/74 4 Consort 11/4 1/74 4 Consort 11/4 1/74 4 Consort 11/4 1/74 4 Consort 11/4 1/74 4 Consort 11/4 1/74 11/4	72 24 24 167 172 1874 1874 1874 1874 1874 1874 1874 1874	74 4% 4% 174 16 174 4 FBnNH s1 165 204 19 194 FBsnch 249 FBsnch 249 FBsch 250 FBsch 25	223 1644 1646 1646 1646 1646 1644 1646 1644 1646 16	which these securities of Timer 9.87 10.79 could have been said (Net Asset Value) or bought (value plus gritt 10.12 nl. castennial Ge: 10.11 nl. essit 7.31 7.99 characteris: 10.12 nl. essit 7.31 7.99 characteris: 10.12 nl. essit 7.31 7.99 characteris: 10.12 nl. essit 7.31 7.99 characteris: 10.12 nl. essit 7.31 7.99 characteris: 10.12 nl. essit 7.31 7.99 characteris: 10.12 nl. essit 7.31 7.99 characteris: 10.12 nl. essit 7.31 7.99 characteris: 10.12 nl. essit	Hilcom 11,52 12,45 TX Fre 8.45 ML US Gavi 8.27 NL Fildelity Group: Assert 18,11 NL Bond 4.55 ML Dehry 11,21 NL Dehry 11,21 NL Dehry 11,21 NL Dehry 11,22 NL Dehry 11,23 NL Dehry 11,23 NL Dehry 11,24 NL Dehry 11,25 NL Hilloco 8.27 NL Hilloc	Age   Age	L Com St 13.63 ML Trom Eq unmont L Com St 13.65 ML Trom Eq unmont L Com E
Attendible 21 27 19 Authority 27 12 19 Authority 27 12 19 Authority 27 12 19 Authority 27 12 19 Authority 27 12 19 Avantors 252 28 24 22 Avantors 253 27 22 Avantor 49 11 103 Avindus 27 10 134 134	1992— 99 1794—114 1794—124 179	2 1 22 + 1 Derivation 34 Deriv	733 11% 11 11% 4 % FICOSFR 538 225 19% 15 15% 4 % FICOSFR 538 82 14% 13% 14% 4 FICOSFR 538 21 7 6% 6% 4 FICOSFR 538 220 36% 35% 36% 56% FICOSFR FICOSFR 538	31 90 29'4 29'4 16' 288 55'2 77 84 +54' 86 27'2 27'4 27'4 -64' 181 6 7'4 7'4 28 11'4 11'4 11'4 92 25'12 24'4 25 - 16 212 9'12 9'12 9'12 468 18'44 99'2 9'44-1 14 65'2 65'2 65'3 134 27' 25'4 27' 15' 57 35'5 34'4 35'5'4 16 60 11'4 11'4 11'44' 46	Acort F 24.60 NL Highlan 11.88 12.79 NL Highlan 12.88 12.79 NL Abrure 15.27 NL Tooth 12.31 NL Constitute 15.70 NL Constitute 15.70 NL Constitute 12.22 NL Constitute 1	Assert   A	11.42 US Gov 9.97 9.57   Hard 12.52 2.52   Hard 12.52   H	Am Sta L17 NL Sel Sta Sta L17 NL Sel Sta Sta L17 NL Sel Sta L17 NL Sel Sta L17 NL Sel Sta L17 NL Sellegman Group:  Coeffic 18.79 11.75 Incd th 45.5 L87 Growth 7.88 74.5 Incd Con Inc 11.41 12.8 Sentingel Group:  Balon L21 12.18 12.15 Sentingel Group:  Balon L21 12.18 12.15 Sentingel Group:  Com S L51 L4.6 Growth L32 L4.6 Growth L32 L4.6 Sentingel Group:  Growth L32 L4.6 Sentingel Group:  Sentingel Growth L32 L4.6 Sentingel
Azichif Adb 223 84 8 BBDO 244 91 61115 5994 SHWCbi 100 x166 1276 12 BPISY 401 30 2644 3 BSN 07 107 574 544 Bother Eq. 11 16 814 79 Bother Eq. 11 16 777 78	616:+2 Coff SBn 80 2 13 124:-4 Centron 40 345 17 275:-25 Centron 795 24 44:+4 Centro 96 29 5:-4 Centron 11 7	13 13 Dov.Im Dov.Im 13 Dov.Im 13 Dov.Im 13 Dov.Im 13 Dov.Im 13 Dov.Im 15 Dov	319 3 24 3 FIGURE 1.48 FIGURE	57 35% 34% 35%+ ½6 60 11% 11% 11%+ ½6 25 38% 37 37 -1½ 270 23% 23% 22%- ½ 6013 14% 12% 14 + % 45 9% 8% 6%-1 22 8% 8% 6%-1 99 11% 11% 11%	Afthere 1527 NL Although 1527 NL Cryfid Grinwy 11,412,62 Chort Fd 17,79 19,44 Although 11,412,62 Chort Fd 17,79 19,44 Although 71,412,62 Chort Fd 17,79 19,44 Although 72,410,42 Although 72,410,42 Although 72,410,40 American Funds: Name 15,410,40 American Funds: Name 15,410,40 American Fd 18,410,40 American	Serich   1505   NL     100 Bd   4.48   105 Bd   4.48   105 Bd   4.48   105 Bd   4.48   105 Bd   4.48   105 Bd   4.48   105 Bd   4.48   105 Bd   1	11.42 J. Gov 9.89 9.57 HI Yid 18.85 26.7 Oph 12.12 23.6 Aut 11.42 17.2, Seed 11.42 17.2, Seed 11.42 17.2 Seed 11.42 17.2 Seed 11.42 17.2 Seed 11.42 17.4 Seed	Bellion   \$79 9.57   Incard   18.01 178     Bellion   \$27 9.57   Incard   18.01 178     Bellion   \$27 9.57   Incard   18.01 178     Bellion   \$27 9.57   Secreta   \$2.47 18.07     Secreta   \$1.28 14.0     Secreta   \$1.28 14.0     Secreta   \$2.27 34.21     Secreta   \$2.27 34.21
Balco Balco	734— 96 Cervil 1291 1475 72 — 192 38 — 192 38 — 193 39 —	16 394 944 954 Designed 75 Des	457 3 1% 1% 1% 1% 1% 176 1% 175 1.72 175 1.72 175 1.72 176 176 176 176 176 176 176 176 176 176	51 1146 1114 1114 2251 1276 12 1276+ 16 250 2572 28 2572+116 26 116 1714 1734 174 26 18 1734 1734 43 2572 2574 2574—172 40 3574 3574 3574	ACOTT F 248 NL. APPLY 1527 NL. APPLY 1527 NL. APPLY 1527 NL. APPLY 1527 NL. APPLY 1527 NL. CYTIG 1114 Mas. CYTIG 1124 Mas. Growy 1141 P.2.0 APPLY 1527 NL. CONTT F 1129 NL. CONTT F 1129 NL. CHIPTIG 9.74 NL. CHIPTIG 9.74 NL. CHIPTIG 12.79 N. APPLY 1521 NL. CONTT F 1129 NL. CHIPTIG 12.79 N. CHIPTIG 12.79 N. APPLY 1521 NL. CONTT F 1129 NL. CHIPTIG 12.79 N. CHIPTIG 12.79 N. APPLY 1521 NL. CONTT F 1129 NL. CONTT F 1129 NL. CHIPTIG 12.79 N. APPLY 1521 NL. CONTT F 1129	Driving 11.06 13.07   10.04 13	8.38 Hi Git 18.41 10.84 Stock 11.59 (2.24 10.87	Sisma Funds: Lavrey 11.73 Rig. Cool: 10.14 11.00 Lavrey 11.73 Rig. Cool: 5.74
Option & price Calls Puts    Dec Mar Dec Mor	/ cmca8c	o Exchange the Week Ending Nov. 26, 19	<b>Options</b>	on & price Coils Puls  Ill 29% - 7 5% - 7 7  10 25 5% - 7 7  20 24 34 2% 2% 1  20 1% 1% 5% 7	Crostk 12.74 13.92 Copley 1.77 NL	Find Gith 5.00 5.46 Gowth 12.08	12.13 MSB Fd 19.17 NL Plan Inv 18.92 19.77	Vent 8.40 9.12 ExBst 76.91
4674 40 54 R M 11/2 4674 40 54 R M 11/2 4674 45 Zin 5 12/6 J M 34 4574 70 M 11/2 r r Bruns 15 10 r r r 2402 20 3 r 1-16 r 2402 20 3 r 1-16 r 2402 20 3 r 1-16 r	Option & price Colls Puts  45 28 15¼ r 1-14 r 45 25 r 16 16 16 16 16 16 16 16 16 16 16 16 16	Option & price Calls Puts  291/2 30 76 294 196 r 291/2 35 46 36 6 F	Option & price Cails Puts Gart Gart Gart Gart Gart Gart Gart Gart	Fed 55 11% 31% c r r 15 53 75 c r 15 53 75 c r 15 55 37 c r 15 6 c	Crissik 1274 1372 Exch 1739 N.L Fed Am 1284 12.15 Grow 23.53 N.L Horbir 13.18 1459 Poco 34.51 1277 Provid 32.55 5.46 A Ghilfel 32.2 9.85 5.46 A Ghilfel 32.3 N.L A innes 3.55 5.46 A innes 3.55 5.46 A innes 3.55 6.51 A innes 3.55	Find 6th 5.00 3.46 Founders Group: Gravith 1880 NL Incom 13.9 NL Murial 9.18 9.45 Seect 23.85 NL Fronkeln Group: AGE 144 1.51 DNTC 17.35 18.74 Gravith 9.70 10.45 Dottion 4.11 4.59 Utils 5.27 5.46 Incom 19.30 5.46 Incom 19.30 10.50 Incom 2.17 10.45 Incom 2.17 10.45 Incom 19.30 10.50	AMSS Fd   19.17 kl.	Steff Road Grp: Com St. 544 619 Expt. 240 B57 Divers 158 610 Ind Tr U.22 R6. Steff of Greated Ivest 1140 R5. Steff of Honoral Ivest 1140 R5. Steff of Honoral Ivest 1140 R5.
Colum 45 54 r 1/2 11/2 11/2 11/2 11/2 11/2 11/2 11/	45 45 246 r 274 r 65 65 65 65 65 65 65 65 65 65 65 65 65	1874 70 49h 714 5 7 7 1 1 1 7 1 1 1 1 1 1 1 1 1 1 1 1 1	127 130 575 1994 1994 1994 6894 127 27 27 27 27 28 29 27 28 29 29 29 29 29 29 29 29 29 29 29 29 29	55 15% 17 15-16 256 60 11% 13% 13% 13% 55 7% r 3% 5% 70 5% 7% 5% 5% 70 5% 7% 5% 5% 70 13 5% 5% 7 15 30 5% r 3-16 15 26 26 26 27 15 26 26 26 27	A invest 9.25 NL. Armyles 2.27 NL. Armyles 2.27 NL. A hiffith unovoil 2.27 NL. A might unovoil 2.26 Archgort 9.48 NL. Armyles 1.28 NL. Armyles 1.28 NL. Armyles 1.29 NL. Armyles 1.29 NL. Armyles 1.29 NL. Armyles 1.29 NL. Find 8 9.22 NL. Sol inc. 4.89 NL. Thrd C 4.50 NL. Stock 1.35 17.42 Explored 1.50 NL. BLCGo unovoid 1.50 NL. BLCinc unovoid 1.50 NL. British 1.27 NL. British 1.27 NL. British 1.27 NL. British 1.28 NL. British 1.29 NL. British 1.2	Capil   Sal 9.50   Capil   Sal	Aut Str   42.72 NL	September 1997   Sept
25% 25 PM 20% % 1% 1% 25% 25% 25% 25% 25% 25% 25% 25% 25% 25	Suppoll 20	2534 25 256 386 r r r 2534 30 58 r r r r r 2534 30 58 r r r r r r r r r r r r r r r r r r	12695   1290   1395   18   51e   57e   5495   12615   1395   18   51e   57e   5495   12615   49   476   1   1596   131e   12615   49   476   1   1596   1   12615   49   49   49   49   49   49   49   4	MI 53 40 F F F F MI 53 40 S 1-16 S F F MI 53 40 S 1-16 F MI 53 264 F F MI 53 264 F F MI 53 264 F MI 53 264 F MI 53 264 F MI 54 264 F MI 54 264 F MI 54 264 F MI 54 264 F MI 55 264 F F MI 56 264 F MI	Arts Hougmon: Prid B 922 Nu22 Incom 439 5.18 Slock unswell Block unswell Block in 12,5 7.42 Block of 12,6 NL Beoc Grid 12,40 NL Beoc Hill 13,74 NL Beoc Hill 13,74 NL Beoc Hill 13,74 NL Beoc Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,74 NL Beoch Hill 13,75 NL Be	Cert V. Cons.  Green   Gree	Select	
31% 25 7% r % 26 31% 30 2% eth 32 2% 31% 30 2% eth 22 2% 31% 30 2% r r r 50% 60 25% r r 50% 60 25% r r 50% 60 25% r r 50% 60 25% r r 50% 60 25% r r 50% 60 25% r r 50% 60 25% r r 50% 70 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	30 20 20 7/2 15-16 200 200 200 200 200 200 200 200 200 20	3972 30 749	38 14 33 24 474 175 1 666 33 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	100 544 - 774 10 110 376 58 - 7 1 100 376 58 - 7 1 30 114 - 7 15-16 - 7 40 40 576 284 48 45 176 - 7 1 45 176 - 7 1 45 176 - 7 1 45 176 - 7 1	Description   1.1.4 NL	Library 13.5 ML, Moss 12.19 tt. Moss 12.19 tt. Moss 15.24 ML, Sen Sec 15.24 ML, Sen Sec 15.24 ML, Sen Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Ser Sec 15.27 ML, Sec 15.27	Second   S	SunG-th 11.40 12.64 Tox Migd 14.65 17.54 Templeton Group: Globe 29.97 31.65 Growth 122 7.87 World 1955 21.85 Tros Cop NAT7 11.65 Group: Tros Cop NAT7 11.65
88% 90 2 556 4 447 88% 95 3 3% 5 94 GMN 35 7 7 1-16 16 57% 45 1277 1376 1-16 11-16 57% 45 1277 1376 1-16 11-16 57% 50 3% 40 10-16 13-16 57% 50 3% 40 10-16 36 57% 50 3% 50 50 50 50 50 50 50 50 50 50 50 50 50	Toriso ZPA	E374 60 24 2474 1-16 7-14 17 18 18 18 18 18 18 18 18 18 18 18 18 18	Arndohl 20 r 34 r 6553 30% 25 652 r 134 246 676 30% 35 384 446 352 446 676 35% 35 19 3 30, 657 r 49% 35% 35 19 3 30, 657 r 49% 170 25 3 19 3 30, 657 r 49% 170 25 10 10 10 10 10 10 10 10 10 10 10 10 10	will 10 1/2	Option & price Calis Puts  Dive Mar Dec Mor  Amex 15 r r 1-16 r 214 20 1½ 74 ½ 14 15 21½ 39 r 11-16 r 21½ 39 r 11-16 r AmBradeg r r r	American E	xchange Option: Ending Nov. 26, 1982	Option & price Cotts Parts  22 25 74 94 44 25 GEO 15 74 11 11 11 11 11
774 73 24 11-14 75 24 17 17 17 17 17 17 17 17 17 17 17 17 17	Victoria 25	34 35 136 297 7 7 136 187 187 187 187 187 187 187 187 187 187	25% 35 7% 12 12 12 12 12 12 12 12 12 12 12 12 12	781 15 7742 3 34 11-16 20 3764 476 142 2 20 114 2766 4 5 20 20 114 2766 7 20 20 1 7 7 7 20 20 1 7 7 20 20 1 7 7 20 20 1 7 7 20 20 1 7 7 20 20 1 7 20 20 20 7 2	AmBradell r r r 14, 1764 1764 1764 1764 1764 1764 1764 1764	7 646 r 14 6376 65 10 20 14 r 5376 75 3 r 34 13 6374 75 31 r 34 13 6374 75 32 4 4 14 14 274 28	244 51/2 446 6 5936 25 15/8 16/2 17/8 17/8 17/8 17/8 17/8 17/8 17/8 17/8	514 11-16 25 38 48 719 24 179 25 179
254 25 102 74 12-16 7	Alcono 20 744 r 44 r 2 2 2 2 2 3 4 2 2 2 2 2 2 2 2 2 2 2 2 2	Kerrin 26 7 776 r r 224/2 25 246 44 11-16 25-16	2600 30 16a 36a r 1884 467a 52 11-16 r r 18 15-14 Owll 177b 20 34 14a r 125-14 Owll 177b 20 34 14a r 125-14 180clog 10 r 3 1-16 s 25-16 180clog 10 r 3 1-16 s 25-16 180clog 10 r 3 1-16 r 180clog 10 10 10 10 10 10 10 10 10 10 10 10 10	20 % 174 244 344 1 25 244 7 4 7 7 1 20 1 7 7 4 5 7 7 1 20 1 7 1 7 1 7 1 7 1 7 1 7 1 7 1 7 1 7 1	Dent   Fer 20   10   1   7   1284   250	% 21-16 1% 2% 37% 45 % % r r FetCh 10 1-16 r r r 17% 15 2% 4% % 192 Goodhy 25 % 11-16 r r 1-16 11-16 r r 1-16 12% 12% 136	by 15-16 r r 2074 300 146 2546 28 r r r 2074 35 14 13-16 25 14 13-16 25 14 13-16 25 14 13-16 25 14 13-16 25 14 13-16 25 14 13-16 25 14 13-16 25 14 13-16 25 14 13-16 25 14 14 14 14 14 14 14 14 14 14 14 14 14	196 196 19 19 19 19 19 19 19 19 19 19 19 19 19
50 55 15-10 3 6% 74 50 46 4 30 17 17 50 30 14 10 11 10 1 1 1 30 44 10 10 1 10 1 1 1 30 50 50 50 50 50 50 Marry N 30 21 1 1 1 1 1 1 51 55 7 1 1 1 1 1 1 1	Arriva and Avia 574 1184 2 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	777	2014 25 174 374 375 376 376 376 376 376 376 376 376 376 376	29 13-16	1516	15-16 34 1-12 13-16 369 333 15-16 369 15-16 36	700 778 2 r Written 20 774 446 174 275 275 275 275 275 275 275 275 275 275	7 1 26th 30 1-14 46 5 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
51 45 424 r v 256 51 40 3 476 2 776 51 50 10 476 2 776 51 60 3 3 5 76 60 40 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	2294 25 334 396 7 7 7 2 2294 25 13-16 110 20 306 2 2206 37 16 10 7 7 7 8 2015 15 26 7 7 7 8 1774 20 7-16 110 226 316 1 1774 20 7-16 110 226 316 1 5674 45 17 7 16 7 8 5674 45 17 7 8	20 75 1% 35% 5% 7% 7% Monson 70 1417 15% r r 146 25% 85 7 15% 85% 15% 15% 15% 15% 15% 15% 15% 15% 15% 1	57% 25 char r 2 ch 40% 25 ch 2	.46 144 244 r r 50 r 144 r r 47 25 r r 4 4 r 46 55 r r r 50 144 r r r 50 25 144 r r r	Decre 20 7 1 1 1 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2	Jan Apr Jon Apr Haffon 25 1  Jan Apr Jon Apr Haffon 25 1  Jan Apr Jon Apr Haffon 25 1  Jan Apr Jon Apr Haffon 25 1  Jan Apr Jon Apr Haffon 25 1  Jan 146 6 5-16 7 456 25 1  Jan 146 6 7 456 45 1  Jan 146 6 7 456 1  Jan 146 6 7 456 1  Jan 146 6 7 456 1  Jan 146 6 7 456 1  Jan 146 6 7 456 1  Jan 146 7 4  Jan 1	-16 r r - 7 3571 35 304 495 495 495 495 495 495 495 495 495 49	Notice 13 1516 224 Notice 23 1546 24 Notice 23 1546 158 Notice 23 1546 158 Notice 23 1546 158 Notice 35 25 No CORE 35 25 No CORE 35 25
60% S2% r r 46 r 160% S446 r r 46 r 160% S446 r r 46 r 160% S46 r 16 r	564 55 85 1146 246 2 564 55 5 7 246 6 564 60211-16 476 7 7 515 60211-16 476 7 7 516 116 7 7 1-16 7 516 116 7 7 1-16 7 517 116 116 116 116 116 116 116 116 116 1	2914. 20 r 11 7-14 1% 37% 37% 35 r 11 7-14 1% 1794. 35 r 1 36 r 1	117 100 24	33	GTel 30 19th r r 7 37th 25 40 40 42 55 15 15 15 15 15 15 15 15 15 15 15 15	19 29 2 50 50 65 119 50	r 19% 7-16 1½ 17% 25. r 27 r 6% 1½ 29 ASA 32 r r 7 r 4% 3% r 54% 33 17 19% 4 43 43% r r 54% 45 11% 12% 13 5% 37 1-16 ½ 54% 55 8% 5% 7% 1 5% 7 1-16 54% 55 8% 57 7% 1 5% 7 1-16 54% 56 56 56 7% 1	F Purmer 48 10 F 12 F 12 F 12 F 12 F 12 F 12 F 12 F
MidSU 15 5-16 46 7 % NCR 45 3954 7 7 7 8446 65 7 2009 7 7 7 8446 65 7 2009 7 7 7 8446 75 79 7 7 18 344 75 3	25 17 184 15 15 15 15 15 15 15 15 15 15 15 15 15	Pennaz 25 6/6 7/6 1/6 15-16 15-16 200 13 15-16 15-16 200 13 15-16 15-16 200 17 1 40 7-16 15-16 804 1 11 40 7-16 10 10 10 10 10 10 10 10 10 10 10 10 10	474 25 11-16 r r Sauft Collect 22 2 275 34 11-16 3416 2694 25 9-16 1 r 472 3616 Cmwelet 15 3 r r 5 366 2797 25 7-16 13-16 r r 1364 2797 25 7-16 13-16 r r 1364 C11111 15 r 76 r r 1364	m 15 9 16 76 F F F 1 126 77 F F 1 126 77 F 1 12 12 12 12 12 12 12 12 12 12 12 12 1	Southern 15 Mars 17-16 IN 144 6644 669 169 169 169 169 169 169 169 169 169	Fig. 11/4 2 37/2 65/4 40 22 5 7/8 37/4 55/4 63/4 45 11/3 5 7/8 37/4 55/4 63/4 50 11/4 51/4 51/4 51/4 51/4 51/4 51/4 51/4	379 25 3-14 34 American 25 r 36 18 18 18 18 18 18 18 18 18 18 18 18 18	14
84% 70	Delito 23	Persol 35 St. r 9-16 196 197 1976 40 276 397 1976 40 377 1976 198 597 1974 51 34 1 r r 1974 51 34 1 r r 1974 51 34 1 r r r 1974 51 34 1 r r r 1974 52 34 1 r r r r 1974 52 34 24 24 26 27 27 27 27 27 27 27 27 27 27 27 27 27	25 7-16 13-16	20 10% F 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	16 20 % % % r r librastan 35 LTV 18 11-14 246 516 r 414 4514 45 46 115 115 115 115 115 115 115 115 115 11	7 7 26. 7 Massay 7 10 10 11 11 11 11 11 11 11 11 11 11 11	44 276 3-16 5-16 376 65 276 77 18 276 18 18 18 18 18 18 18 18 18 18 18 18 18	200 200 200 200 200 200 200 200 200 200
5917 55 17 724 7 5917 65 86 124 7 7 5917 65 86 124 7 7 5917 70 10 7 7 1-16 7 6312 55 7 64 19-16 47 6312 65 24 7 7 1-16 15-16 6312 65 24 7 7 1-16 15-16 6312 65 24 7 7 1-16 15-16 6312 65 24 7 7 1-16 15-16 6312 65 24 7 7 1-16 15-16 6312 65 24 7 7 1-16 15-16 6312 65 24 7 7 1-16 15-16 6312 65 24 7 7 1-16 7 6312 65 116 44 7 7 6444 65 7 6 6 16 16 7 6444 65 7 6 6 16 16 7 6444 55 16 7 6 6 16 16 16 6444 55 16 7 7 1-16 7 6444 55 16 7 7 1-16 7 6444 55 16 7 7 1-16 7 6444 55 16 7 7 7 6444 55 16 7 7 7 6444 55 16 7 7 6444 55 16 7 7 6444 55 16 7 7 6444 55 16 7 7 6444 55 16 7 7 6445 55 16 7 7 6445 55 16 7 7 6446 55 16 7 6446 55 16 7 7 6446 55 16 7 6446 7 6447	7070 70 2000 21 3-16 46 3 9070 75 16 7 46 176 3 9070 80 1136 1370 140 246 5 8 7 23-16 436 3 6000	1476 45 7-16 7 7 7 7 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	61% 65 3 F F J.West	25 7%	15 3 3m vs Cree 26 17% 20 % 11/2 3 3% Cooper 25 17% 25 1-16 9-16 f 24/2 30	T 144 T 2 2546 90 3 4 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	Ma 646 854 f 2799a 35 684 f 7 10c r r 2394 40 374 5 1 r r 1394 40 374 5 10c 576 46 10c 374 50 60 112-16	300 30 30 30 30 30 30 30 30 30 30 30 30
790 ES 1-16 19 ( )	90% 95 34 54 6% 7 3 90% 108 1% 3% 114 7 5 Eckerd 20 7 7 3-16 7 4	1116 35 % 2 5% r Semillab 40 844 942 44 r (7% 45 4% 6 14 24	Dataset 10 99a   Warm 1996 15 59a   11-16 11-16 1992 1998 20 776 396 276 376	Cm38 r r 1-16 r 25 24½ 24½ 3-16 % 40 19% 25% 5-16 % 45 15% 12%	70 60 54 7 30 25 25 70 70 70 70 70 70 70 70 70 70 70 70 70	200 r r r 2576 25 1 200 r r r 2576 30 11-16 100 r r Pinnov 35 700 r 36	46 196 F 188 25 16 16	Trindle 20 to 5
Percety 30 170° r 1-16 r 40° 30 170° r 5-16 r 40° 40° 40° 40° 40° 40° 40° 40° 40° 40°	3644 35 17-16 284 492 1 7 3 364 36 36 36 36 36 36 36 36 36 36 36 36 36	11	20	45 11-6 21% 544 7 45 11-6 11% 544 17 45 11-6 11% 544 17 17 15 61% 17 17 15 61% 17 17 15 61% 17 17 15 61% 17 17 17 17 17 17 17 17 17 17 17 17 17	25% 25 3% 20 3% r r d d d d d d d d d d d d d d d d d	146 146 276 286 277 286 287 287 287 287 287 287 287 287 287 287	10	Second 30

اهكذامنالدهل



# Over-the-Counter

TODA HADA LOW LOST CHOS.

(Continued From Page 20)

Continued on Paramer PBA.100

OIL DAILY

Monday, December 19th.

PUTA WORLD OF

ENERGYBEHIND

YOUR ADVERTISING

TO OILEXECUTIVES

ACROSS AMERICA

INTERNATIONAL ENERGY

ebilishing Monday, December 13, will command the . Reflicing the nove than 20,000 of your top American

The Oil Dally

1212593-2100

REW YERK, NY 10022, USA

and repetitive calculation of the section of the se

The Oil Daily's Annual

ISSUE

After Year of Growth, National Oil Companies Foresec Greater Role

STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10
STITUTE 10

Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemisi 3-28
Shemi

Trisling 1
Trivide 1
Trivide 1
Trivide 2
Trivide 2
Trivide 2
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivide 3
Trivi **Consolidated Trading** Of NYSE Listings (sques Trades in: 212) Advances: 749 ; Godines: 1149 ;

Advances: 747 ; social price of the control of the Consolidated Trading Of AMEX Listings High 776 11 li 54 ls 8 ls 6 ls 12 ls 15 ls 14 ls 13 ls 296 296 576 676 676 676 1175 14 1374 Lost 546 1146 54 816 612 1136 1366 1366

#### Chinese Official Urges Improvement In Concessions to Foreign Investors

The newspaper said the official,

make goods for export.

Mr. Rong said that at present, foreign funds are usually linked with exports, the English-language newspaper said.

ards. Thus, foreign funds should go to improve and update technol-

both home and export markets, he

To pay for imports, China should export non-ferrous metals and raw materials in addition to manufactured goods, Mr. Rong

China allows joint ventures with

#### Dacca Ruler Visiting China

BEUING — The military ruler of Bangladesh, Lieutenant General Hossain Mohammad Ershad, is in

# China Holds 7-Medal Lead Over Japan in Asiad

NEW DELHI - China captured five more gold medals Sunday to take a seven-medal lead over Japan at the two-thirds mark of the Asian Games. China is bidding to overtake the Japan for the first time since entering the competition in

At the close of the 10th day of competition. China had 45 gold medals to 38 for Japan. At the 1978 Asiad in Bangkok, Japan swamped China, 70-51.

Japan will try to cut into China's

#### **NBA Standings**

EASTERN CONFERENCE Atlantic Division Boston Washington New Jersey New York

San Diego 7: 12 200 101:2
Pnoenis, 150, New Jersey 99 (Davis 24, D. Johnson 16; Williams 17, D. Cook 13).
Los Angeles 117, San Diego 115 (Johnson 12, Abdul-Jobbor 22; Cummungs 30, Chambers 23).
Seatitle 127, Demvor 184 (Williams 20, Smith 16, Shelton 16; Emailsh 24, Issel 17).
Washington 87, Indiana 85 (Ruland 26, F. Johnson 16; G. Johnson 20, Kright 17).
Boston 137, Utgh 107 (Glard 25, Parish 26; Davidav 29, Wilkins 19).
Philodelphia 170, Cleveland 162 (Malane 24, Toney 21; Robinson 25, Wednand 25, Hoyes 14).

ney 21; Robinson ZJ. Wedman ZJ. Haves 14). Son Antonio 122. Chicago 120 (Gervin 44. Moore San Amenio 122 Chicogo 7a Teervin a require 21; Wool rope 21, Theus Ia, Corsine 161. Detroit 132, Partiand 118 (Tvier 22, Thomas 28; Natl 31, Valentine 24) Saturday's reseits Atlanto 117, Indiana 98 (Wilkins 27, Roundtield

Allwaukee 109, New York 96 (Lanler 25, Mon-criel, 18, Winters 18: King 27, Cartwright 16),

On Page 23

ming finals on the line. China's five gold medals Sunday were earned with a pair of victories in track and field, one each in shooting and diving and one in the men's team badminton event. The Chinese team edged Indonesia, 3-

Liao's closest competitor was Mercy Mathews of India, who took the silver medal with a jump of 6.26 meters.

"I hope to keep participating in international events," said the 37year-old balding assistant profes-sor of physical education.

Malaysian policeman, picked up his country's first gold medal with a 10.68-second victory in the men's 100 meters. In swimming, four Asian Games

ley relay, and in the men's 100-Kaori Yanase of Japan, who earlier won the women's 200-meter freestyle, became the first Asian

Her teammate Chikako Naka-

ious)on 28, Rice 21 Long Beach St. 44, Utah St. 12 Momphis \$1, 12, Arkonsos 51, 0 Miami (Fio) 19, Cincinnoli 13

lead on Monday with six swim- Games record in a heat of the 100-

In track and field, Liao Wenfen won the women's long jump with a Games record leap of 6.41 meters. She beat the record of 6.31 meters set by Xio Jieping at Bangkok in

in the hammer throw competition. Shigenobu Murofushi of Japan shattered his own Asiad record of 68.26 meters with a hurl of 71.14

records were broken in heats of the

mori also broke the record of 1 minute 00.30 seconds, set by Sachiko Yamazaki of Japan in 1978. with a time of 1 minute 00.06 sec-

#### U.S. College Football

Auburn 21, Alabama 22 Clemson 21, Wake Forest 17 Georgia 38, Georgia Tech 18 Hawali 45, Alr Force 21

More Sports

Another Games record tumbled

Rabuan Pit, a 26-year-old

women's 100-meter freestyle, 100meter butterfly and 4-by-100 medmeter butterily.

woman to break the 1-minute barrier in the 100-meter freestyle with a time of 58.62 seconds.

Taihei Saka of Japan set a

Southern 22, Grambling 17 Southern Calif. 17, Notre Dame 13 Tulane 31, Louislana St. 28

meter men's butterfly in 57.59 seconds. The old record of 58.41 seconds was set by Shinsuke Kayuma of Japan. The Japanese women's team

shattered the Games record in the 4-by-100 relay in 4 minutes 27 seconds, eclipsing the record set by a Japanese team in the 1978 Asiad of 4 minutes 27.16 seconds. Yanase was the anchor for the wom-

en's relay team. The fourth Asiad record to fall Sunday was in the womens 100meter butterfly. Takemi Ise of Ja-pan clocked 1 minute 03.21 seconds in a heat to break the old record of 1 minute 3.56 seconds set by Yasue Hatsuda of Japan at

Bangkok in 1978, On Saturday, Japan and South Korea made waves in swimming and a fast Filipino starlet ran of with her country's first gold medal in athletics.

The swimming Choi sisters of Seoul — Choi Youn Hee and Choi Youn Jung — won gold and silver, respectively, in both the 100-meter backstroke and the 200-meter individual medley.

Youn Hee, 15, and Youn Jung, 16, also finished with a gold and a silver in Tuesday's 200-meter backstroke, thus winning six medals be-

tween them in three events.

At the 75,000-seat Jawaharlal Nehru Stadium, Lydia de Vega won the Philippines first track gold medal, in the 100-meter dash.

De Vega, 17, crossed the finish line in 11.76 seconds, followed by P.T. Usha of India with a time of 11.95 seconds.

"I had a late start but I am running very, very hard," said the Ma-nila-based runner, who recently starred in a Philippine film about her life. "The women from Hong Kong and Japan are very strong and they came out fast. I was running only third, but I finally

#### Transactions

BASKETBALL DETROIT—Placed Kelly Tripuckal for on the injured list.

FOOTBALL

LOS ANGELES RAMS—Walved Cullen Bryant, fullbock, and Billy Waddy, wide receiver, Signed Charles DeJumett, defensive

NEW YORK ISLANDERS—Sent Paul Boutli-er, defensemen, to St. Jean of the Quebec Junior tockey League.

COLLEGE CAL-POLY POMONA-Announced the resigno tion at Roman Gabriel, heb EASTERN MICHIGAN— ma head football coach.

caught up with them in the last 10 meters. I thought I would win be-

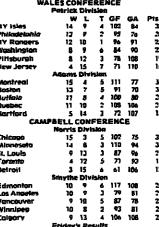
cause I have a lot of confidence."

M.D. Valsamma of India won the women's 400-meter hurdles in a Games record time of 58,47 seconds. "I am very happy now," the 21-year-old railway clerk said.

"They drew me in the eighth lane. It was very difficult." Valsamma's coach, A.K. Kuttv. said he spent the night trying to convince the Indian speedster that

she could win despite the draw. "I told her that Edwin Moses set his world record in the 400-meter hurdles in the eighth lane." Kutty

#### NHL Standings



Allony 9 13 4 106 108 22

Friday's Results
Edmanton & Winnipes 5 (Kurrt 2 (13), Gretzky
(20), Coffer (6), Hugnes (9); Lundholm ? (6),
ukowich (9), Mullen (1),
New Jersey & Vancouver & (Meagher 2 (7),
ombellini (6), Ashton (4), Roto 2 (1), Hinka 2

Illi).
Weshington 5. Toronto 3 (Engblom (3), Corpenter (9), Gartner (17), Gould (78), Houston (10); Varive 2 (5), Korn (23).
Burtlato 8, 51. Louys 6: Ruit (a), McKenne 2 (7), McCourt (5), Seiling (7), Ruit (7); Mullen 2 (a), Dunios (7), Petitisburgh 6. Minnesoto 6 (Hožignsson (3), Boutette 2 (18), Boutet (3), Cartive (4), Malone (7); Bellows 2 (9), Ciccarelli (16), Poyne 2 (14), Giles (11).
Chicago 4, Horiford 3 (Sovard 9), Secord (19), Lormer (10), Gordner (7); Stoughton (7), Renoud (2), Francis (91).
Setundon's Results

noud(2), Francis (1)).
Squrday's Resulfs
New Jersey 4, Calgary 3 (Ashton (5), MacAlilan (7), Ludvia (1), Tambellini (7); Chouinard 2 (4), Konrovd (11). Boston B. Hartford & (Bourque 2 (5), K. Crowder (8), Pederson 2 (9), McNob 2 (8), Middleton

St. Louis S. Pittsburgh 3 (Sutter (16). Petters-son 2 (14), Carison (3), Paley (4): Carivia 2 (6). Kehoe (13)).

Kehoe (131).
New York Rangers 3, New York Islanders 8
(Duguay 2 (a), Beck (5)).
Chicago 3, Guebec 1 (Preston (12), Secord (20),
D, Sutter (3); Pichette (21).
Abontreal 5, Defrait 5 (Tremblay (7), Nopier
(9), Walter (11), Hunter (6), Mondou (8); Lorson
(4), D, Smith (3), Rowe (3), McKechnie (7).
Blaisdell (6)).

Bigisdell (4)). Winnipeg 6, Toronto 3 (MacLean (4), Arniel (4), Christian (5), DuPont (2), Hawerchuk (13). DeBlois (7); Salming (4), Frycer (6), Bolmis-

These Bonds having been sold, this announcement appears as a matter of record only. November 1982 New Issue

# EUROFIMA

(European Company for Financing of Railway Rolling Stock, Basle)

DM 50,000,000

8% Bearer Bonds of 1982/1989

- Private Placement -

Berliner Handels- und Frankfurter Bank

# CLASSIFIED ADVERTISEMENTS

ESCORTS & GUIDES REGENCY - USA WORLDWIDE MULTILINGUAL ESCORT SERVICE

£ 212-753-1864.

JSTRIA: Vienna 060-6103-86122 TALY: 0049-6103-86122 Rome-Milen 0049-6103-86122

NGLAND: London 01-628 796 Office EEC CAPITALS Tel: Germony 0-6103-86122 A-AMERICAN ESCORT SERVICE

EVERYWHERE YOU ARE--OR GO America-Transworld 212-591-2934 212-461-6091 212-961-1945

LONDON Encort Service.

**EVASION** 

#### (Continued From Back Page)

Tel: 212-838-8027

By reservation only. CAPRICE ESCORT SERVICE IN NEW YORK

TEL: 212-737 3291. **AMSTERDAM** HONESTY

CREDIT CARDS ACCEPTED ÇOŞMOPOLITAN

VISA & MASTER ÇARDS ACCEPTED

Telaphone write POS 176, Fresh Meadows, NY 11365, USA PIENNA » HARMONY » VIP Service. Please diali 022442418 (Vienna). Noon to midnight.

**ESCORTS & GUIDES** LONDON Portman Escort Agency 67 Chiltern Street, London W1 TEL: 486 3724 or 486 1152

> KENSINGTON ESCORT SERVICE 10 KENSENGTON CHURCH ST, W8 TEL: 937 9136 OR 937 9133 LONDON

ZURICH Vanessa Escort Service TEL: 01/47 02 12 - 69 22 45

AMSTERDAM N. BUROPE ESCORT SERVICE TEL: 645687 / 645688

ESCORTS & GUIDES LONDON - CHELSEA GRIL Escort Service, 51 Beauchamp Place, Lando SW3. Tel: 01 584 6513/2749, 4-12 pm. **ESCORTS & GUIDES** 

Amsterdam \* SHE \* escort service E.C. CAPITALS TEL: 222940

• ZURICH - GENEVA • Omega Escort Service Germ TEL: 0049-6103-82048 **ARISTOCATS** 

Escort Service Tek 437 4741/4742 12 noom - midnight Zurich - Geneva Monique Escart & Guide Service Tel: 01 / 361 90 00

ESCORT GUIDE SERVICE SINCE 1973 Tel: 247731.

GENEVA-EXCLUSIVE Service. Afternoon & Evening Tel: 22/21 79 29

Escort Service Landon 431 1767 - 7945218

ROME CLUB ÉSCORT & Guide Ser Tel: 06 / 589 2604 -589 1146 (10 cm. - 10 pm.)

TOP SOCIETY Escori Service, London/H Tel: (01) 286 6528 LONDON WEST

(ORONTO, CANADA Escori Service)

01 407 9838.

SUSANNAH ESCORT SERVICE LONdon Tel 352 0058.

LONDON FRENCH CONNECTION
ESCOT Service. Tel (01) 286 6628.

LONDON FETTE FIEUR Escort Service.
London / Healtrow. Tel: (01) 749 6270.

LONDON ASCOT EXCLUSIVE Escort
Service. Tel: 824 7251

LONDON CHEOE Escort Service. Tel:
01 381 9853.

DEBBEE ESCORT SERVICE Tel: London 777 12 31.
FRANCHET - WESTADEN - MAINZ
Diono Escort Service. Tel. 06190 4488.
FRANKFIRT SONJA ESCORT Service
Tel. 0611/886562
VIENNA - FIR Escort Service. Tel. 42
B3 46 from 10 cm.
MURSCH STAR Escort Service. Tel. (069) 317900.
LONDON CHANTELLE Escort Service.
Tel. 01 582 2408.
WASSENSTEIN D. C. - Sendy Day.

They're interpretonal perfected, and in this issue their incise on Moral Petroleum Demarat and Production, plus special tepacts end late breaking news from energy capitals around the globe. BEIJING — An investment offi-cial has urged that China give added. higher rates of return than bank tive designif advertising vehicle. Share its impact indentificative Formula advertisation interse write or secretis interest rates to foreign business-men who provide funds for Chinese enterprises, the China Daily reported Saturday. Donald F. O'Brien

Rong Yiren, general manager of the China International Trust and Investment Corp., also urged that no limit be imposed on the use of foreign funds in industries that

However, he said, the goal of China's modernization drive is to improve the country's living standogy and produce quality goods for

foreigners in selling some products.

China for his first official visit since he came to power last year. Prime Minister Zhao Ziyang, who visited Bangladesh last year, presided at a welcoming ceremony

# INTERNATIONAL

**ESCORT SERVICE** U.S.A. dquarters N.Y.C. 212-765-7896 212-765-7754 312-861-0465

Escorts ovailable to travel anywher nationally or internationally. MAJOR , **CREDIT CARDS** ACCEPTED

**ESCORTS & GUIDES** 

 CONTACTA INTERNATIONAL ® Escort Service in Europei WITZERLAND: 0049-6103-86122 Zurich - Bosel - Lucerse - Serne -

**ESCORTS NY &** 

ESCORT SERVICE **NEW YORK CITY** 21-2-686-3542

BELGRAVIA Tel: 736 5877.

VIP Excert & Golde Service, Modrid, multilingual Teh Modrid 261 41 42 - 261 43 35.

LONDON **AMSTERDAM** 

OXFORD ST ESCORT SERVICE LONDON & HEATHROW TEL: 01 582 2408

ELAN U.S.A. ESCORT SERVICE NEW YORK 212-874-1310 Other major cities available.

COSMOS INT'L ESCORT SERVICE ● FRANKFURT ● & SYSKYWHERE IN EUROPE Tel: Germany 0-611-499991

LONDON LUCY ESCORT Service. Tel (01) 584 5864. COPENHAGEN EXCLUSIVE Escori Ser vice. Tel: 1-244034.

**ZURICH** 

Geneva-Jade Domina Escort Service. Tel: 022/31 95 09 GENEVA V.L.P. Service. con to midnight. Tel: 41 20 36.

ESCORT Service. Germany 0/7851-5719.

NY & USA: LA VENTURA ESCORT & Guide Service by Miss & Lours. Tel: NY 22:889-1666.

BRUSSELS. CHANTAL ESCORT Service. Tel: 202 65.

VIENNA - EXCLUSIVE Escort Service. Tel: 47-74-61.

MADRO ILA ESCORT Service. 7660580 - 2598/72. Cradit cards.

FRANKCIRIT - PETRA Escort & Trovel Service. Tel: 0611 / 682405.

DUSSELDORF ESCORT SERVICE. Tel: 080 / 4 10 52 38.

DUSSELDORF ESCORT & GUIDE Service. Tel: 0611 - 684200.

FRANKCIRIT - GUIDA Escort Service. Tel: 2611 - 684200.

FRANKCIRIT - GUIDA Escort Service. Tel: 293692

VIENNA ETOLIE ESCORT SERVICE. Tel: 293692

VIENNA ETOLIE ESCORT SERVICE. Tel: 55 78 55.

FRANKCIRIT-CLAUDIA Escort Service. Tel: 597 73 72.

FRANKCIRIT - KAREN Escort Service. Tel: 597 73 72.

FRANKCIRIT - KAREN Escort Service. Tel: 597 73 72. PRANKFURT - KAREN Escort Service. Tel: 0611 - 684200. LONDON LINDSEY Escort Service. Tel: 01 402 9838.

DEBBE ESCORT SERVICE Tel-London 589 0451. MADRID, RUTH ESCORT SERVICE. MADRID ANA ESCORT SERVICE Tel: 777 12 31.

--- a poor

38 From --

41 Pro 42 Air

43 Not easily duped

45 Sharpness 46 S O S, e.g.

47 Key group

father

58 Beat 59 City SE of



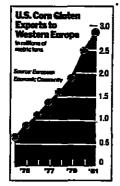
### WEATHER

COW
C F
-1 30 Foair
13 S3 Cloudy
3 37 Cloudy
24 75 Overcoss
13 53 Cloudy
23 73 Foair
9 48 Overcoss
18 Foair
6 18 Foair
6 18 Foair
7 46 Foair
19 50 Foair
10 50 Foair
12 54 Foair
10 50 Cloudy
12 54 Foair
10 50 Cloudy
11 34 Role
2 36 Cloudy
1 34 Role
2 36 Cloudy
1 34 Role
2 36 Cloudy
1 37 Foair
24 75 Foair
24 75 Foair
24 75 Foair
24 75 Foair
25 41 Cloudy
26 75 Cloudy
27 75 Cloudy
28 75 Cloudy
29 75 Cloudy
20 75 Cloudy
21 75 Cloudy
22 75 Cloudy
23 75 Cloudy
24 75 Cloudy
25 41 Role
26 75 Cloudy
27 48 Foair
28 75 Cloudy
28 75 Cloudy
29 74 85 Foair
29 48 Shower
20 36 Overcos
20 36 Overcos
21 36 Overcos
21 36 Overcos
21 36 Overcos
21 36 Overcos
21 36 Overcos
21 36 Overcos
21 36 Overcos
21 36 Overcos
21 36 Overcos
22 Gloudy ALGARYE ALGIERS **MEXICO CITY** MEXICO CIT MIAMI MILAN MONTREAL MOSCOW MUNICH MAIROBJ NASSAU NEW DELHI **NEW YORK** BUDAPEST CAPE TOWN REYKJAVIK RIO DE JANEIRO CHICAGO COPENHAGEN 32 Rain
31 Cloudy
32 Cloudy
33 Cloudy
34 Cloudy
36 Cloudy
37 Cloudy
38 Cloudy
39 Cvercost
39 Overcost
39 Overcost
30 Overcost
70 Rain
45 Cloudy
45 Cloudy
43 Foir
43 Foir
43 Cloudy
44 Cloudy
45 Cloudy ROME SAO PAULO FRANKFURT GENEVA HARARE HELSINKI HONG KONG HOUSTON TEL AVIV TOKYO TUHIS VENICE VIENNA WARSAW

# Timely Business News

Is Our Stock & Trade;





#### Yours at Half-Price

If you purchased this Trib at a newsstand, you're already enjoying a rare bargain—the whole world in just a few tightly written, fact-packed pages.

But why not double the bargain? By subscribing to the International Herald Tribune for six months or a year, you receive each copy at almost half the newsstand price. Up to 46% off, to be precise, depending on where you live. Twice as many Tribs for

Double the value of the Trib by halving its price. Subscribe now so you don't miss a single issue.

Just fill out the coupon below and mail. For maximum savings, subscribe for a full year. This cut-price subscription offer is for

# Herald Eribune

To: Subscription Manager, International Herald Tribune 81 Avenue Charles-de-Gaulle, 92521 Neuilly Codex, France. Telephone: 747.12.65. Telex: 612832.

COUNTRY	l year	6 months	3 months
Austria A.Sch.	3,050	1,525	840
Belgium B.Fr.	6,000	3,000	1,650
Denmark D.Kr.	1,280	640	350
Finland F.M.	990	495	270
FranceF.F.	200	400	220
Germany D.M.	360	180	100
Great Britain £	62	} 31 '	18
GreeceDr.	8,000	4.000	2,250
Ireland £Iri	90	45	25
Italy Lire	165,000	82,500	45,500
Luxembourg L.Fr.	6,000	3,000	1,650
Netherlands FL	406	203	112
Norway N.Kr.	1.120	560	308
Portugal Esc.	8,660	4,330	2,400
Spain Ptas.	14,200	7.100	3,900
Sweden S.Kr.	990	495	270
Switzerland S.Fr.	320	160	90
Rest of Europe, North Africa and			
former French Africa, U.S.A \$	256	128	71
French Polynesia, Middle East 3	264	132	72
Rest of Africa, Canada, Latin	204	132	12
		1 ,,,, 1	
America, Gulf States and Asia \$	352	176	98

Yes, I would like to accept your bargain offer. Please send me the International Herald Tribune for the time

period and at the reduced price circled on this coupon. My name 29-11-82 Address City Job/Profession

Company activity IMPORTANT: Payment must be enclosed with this form to subscription. Please make checks psyable to the international in Do not send cash. Pro-forms invoices are available upon request.



WERE BECOMING A NATION

BEETLE, IF IT'S

NOT TOO MUCH

THIS IS THE NEW SCHOOL

MARM, SIRE

TROUBLE, WILL

YOU GET ME

A COFFEE?

T

В

N

D Y

ID

OF HYPE, IM AFRAID,

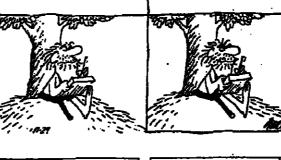
















WELL?











renember,

WE PONT TEACH SEX

**EDUCATION** 

IN OUR

SCHOOL

PARKEY . 11-19



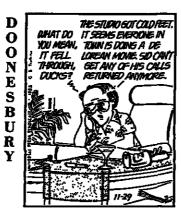
TROUBLE









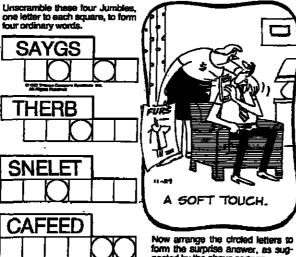












Print answer here: A [ ]

Jumbles: POWER TYING FERVOR HAPPEN By the time a man is wise enough to watch his step, he's usually too old to do this— GO ANYWHERE

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris





"I'M NOT AFRAID OF A LITTLE THUNDER ... BUT I AM AFRAID OF A LOT OF THUNDER !"

### **BOOKS**

THE ALMICHTY

By Irving Wallace. 403 pp. \$15.95. Doubleday, Garden City, New York, N.Y. 11530.

have exclusive coverage of it. But get 11 ting control of the paper is 100 tenough for Armstead, nor is he con Reviewed by Jonathan Yardley, LIKE many another toiler in the vineyards of schlock fiction, Irving Wallace is a specialist in howers. Some readers, prowling through the pages of "The Almighty," will fasten upon this one: "Now, gathered around the coffee table. Armstead seemed almost benign." Others will take a liking to this: "Beside him, on a pad, lying on her back which spread and flattened her bare breasts . ." But my choice sweeps the field: "Throughout her short life Victoria

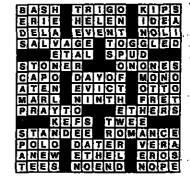
death had been far away. The reader who chooses to approach a Wallace novel in search of these and other malapropisms, or Irvings, cannot but come away from it richer for the experience. Unfortunately, though, the cost of such satisfaction is very high: You have to read the book. This is not easy. A little that of forest and analysis and easy. A little that of forest and analysis are asy. tle bit of fractured syntax can be a lot of fun, but 400 pages of it add up to hard, exhausting work; a little bit of unintentional hilarity can brighten up the day, but 400 pages of it leave you gasping for breath. The occasional rewards offered by "The Almighty" are much smaller than the sheer labor involved in control of the sheer labor. involved in getting from the first page

Weston had been a young person, and

to the last. The gentleman referred to in its title is one Edward Armstead, who at the age of 56 is at last freed by the death of his famous, domineering father to take over the billion-dollar Armstead communications empire most specifically the New York Record "I wanted the Record above everything else," Armstead says. "Having it would give me my chance to prove myself, prove I was worthy."
But his vile daddy's will contains a
zinger, a provision that requires Armstead to do the near-impossible if he is to maintain control of the newspaper - close a circulation gap between it and The New York Times of almost 350,000.

This, of course, he does, by most underhanded means; he stages a sen-sational story so that the Record can

Solution to Friday's Puzzle



tent to wallow in the affections of his daddy's mistress. He wants more "Sex was not first-best but second. "Power was first-best

"Power to manipulate, control dominate — everything, everything world.

"It had come to him with clarity. . . . What to do, how to do it. It was dangerous, very dangerous, this bigger seduction, this rape of life. But he would attempt it. He would enjoy the ultimate orgasm."

And what, you may ask, is the uite mate orgasm? God-like power? But of course. To make the Record the mightiest newspaper in the world Armstead bires his own terrorist gang and sets it on a series of missions that result in one exclusive story after another. Eventually be comes to realize that "it wasn't all that easy, playing God," but by then he is trapped in h own megalomania.

Who brings him down? Why, the doughty girl reporter, none other than the aforementioned Victoria Weston, who had burst into journalism with this ringing declaration: "To hell with the money: I'll live in one room in a ghetto, eat an apple a day, mend my own pantyhose — as long as I can wake up unable to wait for my job to begin, and go to sleep knowing I want more hours of the same. I want to be Nellie Bly. I want to be Annie Laurie. want to be Dorothy Kilgallen." No

It takes her a ridiculously long time to do so, but as the pile of sensational Record exclusives grows ever higher the doughty girl reporter finally fig-ures out that something weird is going on and applies her investigative skills to the exposure of her boss. This ulti-mately involves Air Force One and the president of the United States and a mad kamikaze pilot with a score to settle — and just for good measine, the man she loves, who just happens to be aboard Air ForceOne at the dimactic moment. You will not be surprised to learn that a happy ending is had by all with one notable exception.

"The Almighty" was written on antomatic pilot and reads accordingly. Wallace begins at the beginning and goes on until he comes to the end; then he stops. His narrative is strict relentless exposition, with not a shred of wit, subtlety or imagination. The only pleasures it affords are unwitting ones, and soon enough even they pall. Four hundred pages of Irvings do not a novel make.

Jonathan Yardley is on the staff of The Washington Post.

## **BRIDGE**

By Alan Truscott

A N old idea for effective bridge in-struction has recently been re-vived with success. Special decks of cards are manufactured with marked backs, and the markings tell the dealer how to distribute the cards on a particular numbered deal. The deals are constructed to illustrate instructive points in bidding and play.

The third in a series of such decks has been prepared by a leading bridge teacher, Caroline Sydnor. It provides for 40 deals, which are fully explained in the accompanying book: "Bridge Made Easy: How to Win More Tricks." This won the American Bridge Teachers Association Award for the best teaching text written in 1981.

The package of book and cards should be helpful to both teachers and home groups. It is available for \$8.50 from the author, 211 South Lee Street, Alexandria, Va. 22314.

In one of the deals from the book, shown in the diagram, South lands in four spades after West has opened with three hearts. When the dummy appears, South is pleased to find an ace. At match-point scoring he would mentally lament the failure to play no-trump, but can console himself with the thought that few pairs are likely to alight in three no-trump. It could be done with a take-out double and a three no-trump response by North.

But the 10 sure tricks in no-trump are rather less sure in spades. The bid-ding has made it highly probable that

West has seven hearts, so the declare should expect a void on his right. The safe road to success, as the author points out, is to duck twice in hearts. The third lead can be ruffed in the closed hand, and after trumps are drawn, the heart ace survives to pro-

This is undoubtedly the right play, with or without an opening three-heart bid, but South can survive as the cards lie if he makes the error of playing the heart ace. He will draw trumps, play his club winners and lead a diamond to the nine in dummy. East must lead from the diamond king or give a ruff-and-stuff, so the lost trick comes back.

NORTH **♦10743** ♥A832 **\$095** EAST WEST (D) **4982** · ♥KQJ1097 ♣Q10548 SOUTH **◆AKQJ65** Q65 -**♦ A64** ♣AK North and The bidding:

15325

#### RADIO NEWSCASTS

BBC WORLD SERVICE 7140 9410 11740 12095 15070 15310 17770 17770 21710 5975 - 7185 31 . 25 **VOICE OF AMERICA** kHz 4845 7195 9575 11835 15240 17870 21480 25040 671 69,6 49,6 41,7 31,3 12,4 17,7 16,8 11,5 48,3 41.2 39.9 25.2 19.7 25.5 13.9 196 49.1 36,7 25.5 19.6 16.8 11.5 75.5 19.7 75290 17828 26000 15205 15265 RADIO CANADA INTERNATIONAL 15325 9590 11775 6140 7155 9748 11**62**5 . 17075

21695

# **SPORTS**

# Jets Deal Packers First Defeat, 15-13

Crisis In Manager NEW YORK — Pat Leahy, who

NEW YORK — Pat Leahy, who it is in many in item missed two extra-point attended to the final minter of the distribution of the standard of t

tal an apple 16 In Orchard Park, New York, anything the Land Leaks scored two touch-

Bills 20, Costs 0

and the set of process of the Costs of the conditions of the set of the costs of the costs of the costs of the set of the costs of the set of the costs of the set of the costs of the set of the costs of the set of the costs of the set of the costs of the set of the costs of the set of the costs of

in intoles at the Zachary Dixon of the Colts resident of the limitabled late in the second quarter of the limitabled late in the second quarter of the limitable late in the second quarter of the limitable late in the second quarter of the late of is the line limited late in the second quarter and harned applying the Baltimore 26, and Buffalo and Just or English Robertson recoverant she look worked. Two plays later Leaks about in front lawed over from the 1-yard line in moment have give Buffalo a 17-0 halftime and or constant and each of with or at 15 constant 23. Falcons 20

#### Cardinals 23, Falcons 20

The Cardinals, who evened their ecord at 2-2, withstood a last-minie Atlanta drive in which Mick Enckhurst missed a 42-yard fieldsoal attempt with a second left to May. It would have sent the game

The Cardinals snapped a twogame losing streak as Anderson ing three to Sammy White, to pow-and fullback Wayne Morris com-er Minnesota to a 35-7 victory over sined for a crunching ground at- Chicago.

tack that enabled St. Louis to control the ball for most of the second half. The Cardinals got their other touchdowns on a 2-yard run by Morris in the first period and a 1yard sneak by quarterback Neil Lomax in the fourth period. Neil O'Donoghue added a 43-yard field goal in the third period.

#### Patriots 29, Oilers 21

In Foxboro, Massachusetts, Steve Grogan celebrated his first start in more than a year by throwing for three touchdowns, including a pair to Stanley Morgan, in leading New England to a 29-21

victory over Houston.

Grogan, who replaced Matt Cavanaugh in an effort to stimulate New England's lethargic offense, completed 10 of 16 passes for 195 yards, including scoring strikes of 63 and 24 yards to Morgan in the first quarter and a 14-varder to Tony Collins in the fourth quarter.

#### Redskins 13, Eagles 9

In Washington, Joe Theismann passed for 259 yards, Mark Mose-ley kicked two field goals and the Redskins intercepted four passes by Ron Jaworski to help Washington stay unbeaten with a 13-9 vic-tory over Philadelphia.

Theismann, who completed 14 of 28 passes, threw a 65-yard touchdown pass to Charlie Brown, who caught three passes for 124 yards. Moseley kicked field goals of 45 and 43 yards for the Red-

Jaworski threw a 44-yard touch down pass to Harold Carmichael. and Tony Franklin kicked a 41yard field goal for the Eagles.

#### Bengals 31, Raiders 17

In Cincinnati, Ken Riley raced 56 yards for a touchdown with the first of his three interceptions, and Ken Anderson passed and ran for two more scores as Cincinnati defeated the previously undefeated Los Angeles Raiders, 31-17.

Fullback Pete Johnson rumbled 129 yards in 23 carries and scored 1-yard touchdown to help the Bengals raise their record to 3-1. Anderson threw a 3-yard touch-down pass to rookie Rodney Hol-man and later scrambled 10 yards for another score. Jim Breech kicked a 35-yard field goal to round out Cincinnati's scoring.

In Minneapolis, Tommy

Kramer passed for more than 300 yards and five touchdowns, includ-



Larry Holmes, right, pounding his tired challenger, Randali (Tex) Cobb, in the ninth round of the World Boxing Council heavyweight championship bout in the Houston Astrodome.

# **Holmes Pounds Cobb to Win Decision**

## Judges Unanimous as Heavyweight Champion Keeps Title

By Michael Katz New York Times Service

HOUSTON - Randall (Tex) Cobb used hypnosis as part of his preparation for Friday night's heavyweight title fight at the As-trodome, but Larry Holmes used a mesmerizing jab to win the 15-round bout by a unanimous deci-

The jab, setting up thunderous right hands and solid left books to Cobb's strong chin, made the fight practically a shutout for the champion. Holmes cut up the challenger's face, but he could not put Cobb down. Two judges scored it 150-135 for the champion, and the third judge had it 149-136, on the basis of 10 points for winning a

Only one judge, Larry Hassad of Los Angeles, gave Cobb a round — the seventh. The two others, Spider Bynum of Dallas and Chuck Minker of Las Vegas, scored the 15th round even. Otherwise it was all Holmes.

Holmes, easing toward retirement at the age of 33, was making the 13th defense of his World Boxing Council title, the first since he stopped Gerry Cooney on June 11 in the 13th round.

Before about 10,000 fans at the Astrodome, which can hold about 60,000 for boxing, the 21712-pound champion was an 8-1 "out" favorite — meaning no bets were accepted on Holmes — against Cobb. 27. a former Abilene Chris-

tian offensive lineman and former kick boxer.

Holmes has a 41-0 record, with 30 knockouts. The 234's-pound Cobb, who said he was still in the embryonic stage." has a 20-3 record, with 18 knockouts. This was the first time Cobb had gone

Holmes opened cuts on Cobb in the first five rounds. The constant jab and the accompanying over-hand rights had the challenger bleeding around the left eye and from the nose. Cobb was constantly moving

forward and into punches. The champion was landing his best shots, but Cobb has one of the finest chins in heavyweight history. After taking a five-round pounding, he seemed to be tiring Holmes.

But that was not earning him points because Cobb could not land any blows. Holmes was able to load up his shots against the slower challenger, and in the fifth he finally made Cobb stand still and take a tiny step backward.

Cobb appeared tired by the eighth, and his left eye was closing. Holmes added a new weapon, for him, for the game plan. Eddie Futch, his trainer, had him work-ing on hooks off the jab. When

jabs, the champion switched to the hooks, and his right hand rarely But even after landing big combinations of six or seven punches,

Holmes had to back away because Cobb kept moving forward.

The champion went for the knockout near the end of the ninth. More than a dozen of his best punches had Cobb shaking, but the challenger still would not topple.

Holmes was informed Saturday

morning at breakfast, that Cobb "would like to fight you every night of the week because eventu-

ally you'd get tired."

The champion laughed as he picked up his cup of coffee with swollen hands. "He told me he'd like to fight me in a phone booth." Holmes said, "I said, 'Why don't we just do it over the phone? Call me instead." The man Holmes appeared most

ready to fight was his former man-ager and longtime promoter, Don King. The champion was incensed when King, at the victory party, asked Holmes to reduce his purse, which already had been cut from \$2.1 million to \$1.6 million. Holmes has often agreed to take cuts to help out the promoter, but not this time.

"King said, 'I'm going to lose 5700.000.' and I said, 'So what, laugh about it." and he got mad be-cause I wouldn't give him the cou-ple of hundred thousand," Holmes Cobb began blocking some of the said. "My arms are sore, my hands hurt and my eyes are bloodshot. and he wants me to take a cut. To reduce my purse kind of makes me

"I train hard, take the punches.

risk my life every day, and they say, 'Please give some money back.' When they make money,

they don't say, 'Here, take this.' King said he could not remember what he had said to Holmes Friday night. "I don't know any-thing about it." be said. "I must've

been drunk." King refused to comment further on purse cuts - he reduced Cobb's earnings from \$700,000 to \$500,000 — and instead speculated on Holmes's next fight. King and Holmes have been together since 1973 and have had frequent spats. The likelihood is that this one also will be patched up and King will then promote what might be the hampion's last bout

The opponent would be Lucien Rodriguez of France, the European champion. King said the site probably would be in Europe.

Holmes said he might fight "once more, twice more, three times more, you know how fighters are." But he said he was not interested in meeting the winner of the Mike Weaver-Michael Dokes bout Dec. 10 for the World Boxing Association version of the title or Greg Page, who got off the canvas in the second round Friday night before stopping James (Quick) Tillis in the eighth.

"I want someone easy," Holmes said. "I just read that Lorenzo Zanon was thinking of making a comeback. Maybe someone like

# McEnroe Brilliant as U.S. Team Beats France for 28th Davis Cup Title

New York Times Service
GRENOBLE, France — John McEnroe is the best doubles player in tennis. Teaming with Peter Fleming on Saturday, he again demonstrated his excellence during a 6-3, 6-4, 9-7 victory over Yannick Noah and Henri Leconte of France that clinched the Davis Cup championship for the Unit-

ed States. The doubles triumph gave the U.S. team an unbeatable 3-0 lead, and rendered meaningless Sunday's reverse singles matches, in which Noah defeated Gene Mayer, 6-1, 6-0, and McEnroe beat

The 4-1 victory over France was the 28th title for the Americans since Dwight Vikings 35, Bears 7 Filley Davis donated the first International Lawn Tennis Challenge Trophy in 1900.
The 23-year-old McEnroe has played on four of those victorious American squads since 1978, and he ranked this series near

"Each one is different and each one's nice in its own way." McEnroe said. "This was one of the best, if not the best, because we beat their team in front of a large crowd and played well, and I played on my worst surface and won the matches.

Saturday's victory extended the McEnroe-Fleming unbeaten Davis Cup doubles record to 9-0. They lost only one set in the four matches this year that included India,

French squad will split \$100.000.

marathon Friday against Noah that left him aching. McEnroe was the dominant figure on the court Saturday. He never came within a point of losing his serve and served out every set. Even more impresThis is normal," Ashe said. "The guy's

gan playing doubles together only this year. Leconte, whose style seems to be to hit hard, harder and hardest, still lacks the finesse, touch and consistency that are a requisite for doubles.

The Americans broke Leconte's serve

again had to serve his way out of danger from 15-30 to 3-all. But from 3-4, with Fleming serving at 0-15, the Americans dominated the net, winning crisp volleying exchanges, and swept the last 12 points of

arena. Service winners. Reflex volleys off the hip and shoetops, sometimes from impossible positions. Half-volleys. Stinging.

McEnroe Breezes on Sunday

Even when Leconte was within a point of breaking McEnroe's service in the seventh game of the first set and had the American sprawling far behind the baseline and scrambling to retrieve his racket, he hit a simple smash out.

Leconte never had another chance as

Noah, similarly, demonstrated total mastery of his 50-minute match. Mayer, ranked seventh in the world, floundered. taking just 12 points from the first set.

"I've never ever thrown a match in my life." Mayer angrily retorted to a sugges-tion that he had not been trying.

# Nebraska Wins; Arizona Stuns ASU

## Oklahoma Bows, 28-24

en en en en district New York Times Service

and the Lincoln, Nebraska — Nebraska defeated Oklapma, 28-24, Friday night to win the Big Eight Con-

The victory gave the Cornhuskers a conference me to play, next Saurday at Hawaii. In the Orange on hear he have the victory was typical for Nebraska, which came 13 without a Front of 7-0 and an overall record of 10-1 with one

in the game with the top-rated offense in the coun-in total offense, in rushing and in scoring. The bund and scored each of their four touchdowns on

> Mike Rozier, Nebraska's most prolific running with 1,482 yards before Saturday, That find quarter with a recurrence of an ankle injury. he fullback Dong Wilkening, who scored two touch-iwns, gained 58 yards. And Roger Craig, who re-laced Rozier and scored Nebraska's final touchfiven in the third period, ran for 56 yards.

that it took an equally impressive performance by Webraska defense to preserve the victory when dahoma had chances to score late in the fourth

The Sooners, who had trailed by 21-10 at the half to had cut the lead to 28-24 in the third quarter, Three fourth-quarter possessions.

The first drive ended when Kelly Phelps, the Okla-

inia quarterback, threw incomplete to the fullback likey Wilson on a fourth-and-6 at the Nebraska 34. he second ended in similar fashion, when Phelps he incomplete to the wide receiver David Carter be second ended in similar fashion, when Phelps wincomplete to the wide receiver David Carter at lourth-and-6 at the Nebraska 35. And the third lied with 26 seconds remaining when a Phelps is from the Oklahoma 28, was intercepted by Scott burger, Nebraska's left end.

### UCLA Gains Rose Bowl

United Press International

TUCSON, Arizona - Tom Tunnicliffe passed for 92 and 65-yard touchdowns Saturday night in leading Arizona to a stunning 28-18 victory over Arizona State, shattering the Sun Devils' Rose Bowl hopes.

The defeat of Arizona State put UCLA in the Rose Bowl on New Year's Day against Michigan. The Sun Devils had to settle for a berth in the Fiesta Bowl in their home stadium against Oklahoma.

The victory raised Arizona's record to 6-4-1 overall, 4-3-1 in Pacific-10 Conference play, while Arizona State fell to 9-2 overall, 5-2 in league play. The Wildcats took a 10-0 lead at halftime, then

exploded for 16 points within the first five minutes of the third quarter. The Sun Devils attempted a comeback, but it ended with about three minutes remaining as Arizona recovered a fumbled punt return on the Arizona State 30. Tunnicliffe repeatedly riddled Arizona State's for-

midable defense. He teamed with running backs Bri-

an Hollin for the 92-yard scoring pass in the second quarter, and hit split-end Brad Anderson with a 65yard toss, to make it 26-0. Fifteen seconds into the third quarter Arizona scored the first of two safeties as running back Darry

Clack was pulled down in the end zone by nose-guard Arizona struck again three plays after the Arizona

State free kick when Tunnicliffe beat a blitzing Sun Devil defense with the 65-yard toss to Anderson, who made a leaping, juggling catch before racing into the The Wildcats scored again three minutes later on a. l-yard run by Hollin after Arizona recovered a fum-

ble at the Arizona State 29. The Sun Devils rallied to close the gap to 28-18 on two touchdown runs by Clack. The tailback scored

on runs of three yards and one yard, and Arizona State added a field goal and a 2-point conversion.

#### WSCASSeorgia Ends Season Undefeated and Untied the line, he sprinted into the Tech first time since the 1938-39 season secondary where he broke four tac- that Tulane has scored back-to-

ATHENS, Georgia — Herschel liker scored two touchdowns to Georgia to a 38-18 victory Georgia Tech on Saturday as Bulldogs completed their regu-Season as the only undefeated d united major college football m in the United States. It was the team's second perfect

illar campaign in the last three scons since Walker entered the biversity of Georgia. The junior aback, playing before a home and of 82,122 at Sanford Stadi-\* carried for 162 yards Satur-

Now Georgia (11-0), ranked No. h the nation in the two wire ser-Polls, will meet Penn State Polls, will meet Penn State

1), in the Sugar Bowl on New at's Day. This will be Georgia's an straight Sugar Bowl appearas Southeastern Conference

Since Penn State, which comand its regular season Friday igh is ranked No. 2 by both is the Sugar Bowl is going to be postseason contest to decide linal No. 1 ranking for the

siker made one of the most her Saturday the third time he fried the hall. Breaking through high opening in the middle of

kles, twisted to his right and got free to run 59 yards for the first touchdown of the game.

Walker finished the first half with 84 yards rushing, moving him into third place among the leading career ground gainers in major col-lege competition. Walker's 84 gave him 5.181 yards, putting him ahead of Archie Griffin of Ohio State (1972-75), who had 5,177 yards. The only players who have carried for more yardage in their careers than Walker are Tony Dorsett of Pitt (1973-76), with 6,082 yards, and Charles White of Southern California (1976-79), with 5,598. Walker finished the game with a career total of 5,259

Other games as reported by United Press International:

Tulane 31, Louisiana State 28

In Baton Rouge Louisiana, Mike McKay threw for three touchdowns to lead Tulane to a 31-28 upset of Orange Bowl-bound Louisiana State in a matchup of traditional college football rivals. McKay's scoring passes went for two yards to tight end Jay Rhodes in the second quarter, five yards to wide receiver Wayne Smith in the

back victories over LSU.

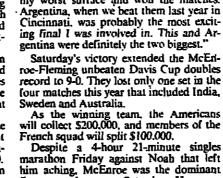
Auburn 23, Alabama 22 In Birmingham, Alabama, Bo Jackson capped a 67-yard drive with a I-yard touchdown run with 2:26 remaining to give Auburn a 23-22 victory over Alabama. The triumph ended a ten-year victory drought for Auburn over Ala-

USC 17, Notre Dame 13 In Los Angeles, Michael Harper crashed into the end zone with 48 seconds remaining to lift Southern Cal to a 17-13 victory over Notre Dame, John Robinson, the third most successful active coach in the nation, announced earlier in the

week he was leaving USC after

seven seasons. Memphis St. 12, Arkansas St. 0 In Memphis, Tennessee, Frank Smith grabbed a 32-yard touchdown pass, and Thomas Ingles kicked two field goals to lead Memphis State over Arkansas State, 12-0, breaking the longest losing streak in major college foot-

Miami (Florida) 19, Cincinnati 13 In Miami, Robert (Speedy) Neal scored on a 4-yard run. Jeff Davis kicked four field goals and the Mithird quarter and 31 yards to full-back Reggie Regginelli with five nati comeback bid to pace the minutes left in the game. It was the Hurricanes to a 19-13 triumph.



McEnroe's 10 service games, McEnroe did McEnroe served out the first set from 15not commit a single error.
"He's an extraordinary player," said

Jean-Paul Loth, the French captain. "He's shown us these past few days he's an extraordinary player on all surfaces. The difference is, of course, that he plays ex-tremely well at the important moments. He returns serve real well and we saw today how good he is at the net." Arthur Ashe, the U.S. team captain, was

impressed but not surprised by McEnroe's performance on the slow red-clay court. the most talented player ever to play the Noah and the 19-year-old Leconte be

The second set went on serve through

the first eight games, although McEnroe

the set.

French hopes improved after Fleming was broken for the first time in the second game of the third set. Noah saved a break point for 3-0, and McEnroe fell behind, 0-30, in the fourth game.

But then McEnroe simply took over, with an assortment of shots and off-speed pace that quieted the air horns, tambourines and rhythmic hand-clapping in the

sharply angled forehand cross-court re-

ing at the net.

McEnroe had no trouble Sunday against Leconte, an over-eager opponent who tried to kill every ball and as a result produced a string of mis-hits. United Press nternational reported.

McEnroe ran out an easy winner in one hour and 18 minutes.

**SPORTS BRIEFS** 

Gerulaitis Beats Vilas in South Africa JOHANNESBURG (AP) — Vitas Gerulaitis, the No. 2 seed, scored a

win the South African Open tennis tournament. Gerulaitis trailed, 3-0, in the fourth set but won the next four games. Both players then held service to 6-6, and Gerulaitis took the match by

On Saturday Vilas beat Kevin Curren, an unseeded South African, 7-5, 6-3, to reach the final. Gerulaitis defeated Andres Gomez in the other

#### Navratilova Triumphs in Australia

SYDNEY (UPI) — Martina Navratilova, the top seed, defeated Evonne Goolagong Cawley, 6-0, 3-6, 6-1, on Sunday to capture the New South Wales Open tennis championship.

Navratilova, who received \$22,000 for the victory, had survived a tena-

cious Zina Garrison, 7-6, 6-2, on Saturday. Cawley reached the final with a 4-6, 6-1, 6-4 victory over Andrea Jaeger.

Borg are among 29 tennis players expected to take part in the first European Champions' Championship starting here Monday.

McEnroe and Lendl are seeded 1-2, respectively, followed by Borg.

### Sites Ratified for Soccer Finals

seilles, St. Etienne. Nantes, Nancy and Lens.

ROME (AP) — The European Football Federation has announced that the final of the Cup of Champions will be in Athens on May 25 and the final of the Cup Winners Cup in Goteborg, Sweden, on May 11. The sederation's executives met in Rome on Friday to ratify the sites for the two major European soccer tournaments. Artemio Franchi of Italy, president of the federation, also confirmed that the final stages of

#### Hoch Repeats as Colf Victor in Japan

ISUBUKI, Japan (AP) - Scott Hoch, winner of this year's New Orleans Open, captured his second major golf title in Japan in two weeks, rallying for a one-stroke victory in the Casio World Open.

Hoch fired a final-round, two-under-par 70 for a six-under total of 282 in overcoming the third-round leader. Tsuneyuki Nakajima of Japan.

# Orono Regains Super Flyweight Title

SEOUL (AP) — Rafael Oroño of Venezuela regained the World Boxing Council super flyweight championship Sunday night by stopping the champion, Kim Chul Ho of South Korea, in the sixth round. Oroño took back the title he lost to Kim on Jan. 24, 1981 in Venezue-

### one knee pressed to the mat, appeared helpless and unable to continue.

TOKYO (UPI) — Half Iced, a three-year-old colt from the United States ridden by Canadian-born Donald MacBeth, spurted on the home stretch Sunday to win the \$536,000 Japan Cup horse race in Tokyo. A neck behind was All Along of France, ridden by Gary Moore, followed by April Run, also from France, ridden by Cash Asmussen.

BORMIO, Italy (AP) - Stig Strand won the men's slalom race of the Ski World Series here Saturday. It was the first major international

the opening of the World Cup season next week.

On Sunday, Max Julen led the Swiss team to victory, gaining decisive

points in the men's parallel slatom. Julen defeated Jacques Luethy in an all-Swiss final, and gave Switzerland a winning total of 121 points in the nation standings of the one-week competition, compiling results of six men's and women's races.

# Oklahoma's Marcus Dupree seems dejected as the Nebraska Cornhuskers celebrate their victory.

# Eskimos Overpower Argos, 32-16, For 5th Straight Grey Cup in CFL

TORONTO - Warren Moon threw two touchdown passes and Dave Cutler kicked four field goals to break two career records Sunday, powering the Edmonton Eskimos to an unprecedented fifth con-secutive Grey Cup championship with a 32-16 triumph over the To-ronto Argonauts in the Canadian Football League classic.

Moon, a former University of Washington Rose Bowl hero, unleashed a stunning aerial attack in the first half, hitting wide receiver Brian Kelly with touchdown passes of 16 and 41 yards while compiling 261 aerial yards to give the Eskimos a 20-14 halftime lead. But it was the Eskimo defense, which includes 20 players who have been together for all five

championships, which dominated the second half by holding the Argos to only a safety in the final 30 minutes. The victory, in strong winds and pouring rain before a capacity crowd of 54,744 at Exhibition Sta-

dium, completed one of the finest

season-long comebacks ever in the Edmonton slumped to 3-5 and the Western Division cellar at midseason but came back with a nine-

Cup in the past decade. No other

team has ever won more than three

keep the drive alive. game winning streak capped by Sunday's victory. .It was Edmonton's sixth Grey

straight Grey Cues. Moon, who had battled flu earlier in the week, was named the game's Most Valuable Player while Dave Fennell, a member of all six Edmonton champions, won both the outstanding defensive player

award and the outstanding Cana- made up for the mistake six min-

Cutler, the Eskimos' 14-year yeteran, kicked field goals of 38, 29, 49 and 33 yards to break the Grey Cup record for most career points and most career field goals. A lucky bounce had been known in the CFL as an "Argo bounce" since before the Toronto club's

but the Eskimos made a case for calling it the "Eskimo bounce." The Eskimos took a 20-14 lead into the third quarter but it was a fortunate bounce that followed the drive that seemed to break the Argos' spirit.

ronto nine, where Jim Germany fumbled at the 5-yard line and defensive back Harold Woods recov-On the next play, Condredge Holloway hit running back Cedric Minter at the Argo 40 but the sec-

winning linebacker Dan Kepley recovered and returned to the 34. Germany carried four times for 22 yards to move the Eskimos to the Argo 2-yard line, where he fumbled but recovered the ball to

ond-year pro fumbled and award-

Two plays later the former University of Ottawa running back Neil Lumsden crashed in for the touchdown to give Edmonton a 26-14 lead.

Cutler missed the convert but

More Sports On Page 21

game Cutler finished with 72 career points in Grey Cup games, breaking the old mark of 61 held by Don Sweet of Montreal. His four field goals gave him 18 in the anpast three decades of frustration, nual classic, breaking Sweet's three-year-old record of 17.

Holloway and Moon showcased

the passing attack in the first half,

throwing for two touchdowns each and a combined total of 450 yards,

but Moon was almost unstoppa-

he booted a 49-yard field goal. He

put the game further out of reach with a 33-yard field goal late in the

ble, leading the Eskimos to scores on four of their six possessions and The Eskimos drove to the Toa 20-14 lead. Cutler provided the margin of difference with a 38-yard field goal on the Eskimos' first drive of the

ne and another from 29 yards with three seconds left in the half.

■ Walker, Greer Lead All-Stars Running back Alvin (Skip) Walker of the Ottawa Rough Riders and wide receiver Terry Greer of the Argonauts led the 26-player All-Canadian Football League team announced over the weekend, Associated Press reported from Toronto.

selections by the Football Reporters of Canada. Walker led the CFL in rushing this season, gaining 1,141 yards on 210 carries, an average of 5.4 yards

Both Walker, the former Texas

A&M star, and Greer, who played

at Alabama State, were unanimous

per attempt. Greer caught 85 passes during the regular season for 1.466 yards and 11 touchdowns.

7-6, 6-2, 4-6, 7-6 victory over top-seeded Guillermo Vilas on Sunday to

easily winning the tie-breaker, 7-1.

McEnroe, Lendl Head List in Antwerp ANTWERP, Belgium (AP) - John McEnroe, Ivan Lendl and Björn

#### Mats Wilander, Sandy Mayer, Yannick Noah, Eliot Teltscher and Buster Mottram. The final will be played next Sunday.

the 1984 European Championship will be played in Paris, Lyons, Marutes into the fourth quarter when

#### Two weeks ago. Hoch won the Pacific Masters tournament.

la. The U.S. referee, Rudy Ortage, stopped the fight after 38 seconds of the sixth round of a scheduled 15-rounder. The battered Korean, with

#### U.S. Horse Wins Japan Cup by Neck

Half leed clocked two minutes, 27.1 seconds for the 2,400-meter run at the Tokyo Race Course. It won first prize money of 70 million yen Strand Takes Slalom in Ski Series

triumph for the 26-year-old Swede Ingemar Stenmark and Phil and Steve Mahre, rated as the world's top slalomists, passed up the World Series to concentrate on preparations for

X Q J 10 ST

The bidding

#### LANGUAGE

# Farewell My Lovely

By William Safire

WASHINGTON — As the col-VV lect telephone call comes to an end, the kid in college says. "Lay-tuh!" The parental voice replies. "Buh-bye."

The rich and varied language of farewells is thus advanced. In olden times, a few years ago, the collegiate call would be "See you later, alligator." From this neo-Cockney rhyming source, by the natural process of shortening seeya be-came popular; recently, the end of that first phrase, later, has come into its own.

Meanwhile, goodbye has been changing. An erosion of the d changed that word to g'bye or guhbye, then the baby-talk bye-bye emerged as acceptable in adult contexts (This usage, along with the similar ta-ta for now, conformed to the French psychology in eschewing adieu — which means That's it, Gaston, mail me le chat" - and in adopting the more hopeful au revoir, or "until we see

each other again.")
So long is no longer so long, having been clipped to a slangy s'long. The new, rapid-fire telephone closing, which is not really part of a dialogue, is "OK fine thanks you too bub-eye," fired staccato at the person on the other end, who is simultaneously saying, "Havva good one take care bub-eye."

This rise of what cryptographers would call "the leave-taking burst" does not necessarily mean that Americans are becoming less gracious. The Southern style offered by the person who is being left can still be heard: "Y'all come see us again, heah?" and its shortened form, "Y'all come," are in use, as is "Hurry back." In New England, the same gentility can be found in

"Don't be a stranger, now." Although the leave-taker's Spanish adios ("to God") and the leavetaken's vaya con Dios ("go with God") continue to show strength, the have construction is more prevalent: Have a good day and its derivative. Have a good one, are forms of benediction, although Have a special life is an example of farewellian overkill. Peace is ac-

quiring political overtones. The leave-taking warning is strong: Take care is as warm as Take off is cold, and Take it easy along with Take it slow are in heavy use. The last of those has been updated with a rhyme: Take it slow, bro, which is heard more among the brothers than the sisters. Behave vourself is an affecappeared recently as Stav clean. Re good has its users, and occasionally one hears the more resigned If you can't be good, be careful.

The sympathetic farewell is undiminished. Hang in there vies with Hang tough and Hang loose, and Walk light may cheer up the overweight, but the imperative goodbye is now considered insulting: Call me, Drop me a line and Keep in touch are put-downs, and cool is as ill-received as the old Don't take any wooden nickels or the military As you were. The ultimate insult in farewells is the airv Let's have lunch.

The reminiscent goodbye should not be forgotten: It's been a gas is out of style, but It's been real remains a reality. Variant forms include This is a memory and the more time-consuming but lilting It's been nice, it's been sweet, but now it's time to hit the street.

Foreign borrowings by Americans are led by the British cheers, which has been moving from a toast to a farewell, and the Italian ciao, modified to the rhyming hybrid ciao now, a favorite of brown cows.

The hipster lingo that once featured Plant you now, dig you later has degenerated into a brief Digya. but was reborn under See you later when your hair gets straighter, an obvious updating of See you later, alligator and its ritual response, In

Among the young who are al-ways leaving and who constantly need new-phrase fixes, there seems to be a growing desire to blame any leave-taking on external forces. Gotta go is the most fre-quent form of denying any desire to leave, but more imaginative examples are Gotta bail, presumably from "Must bail out of the aircraft," Gotta cruise and Gotta blaze (auto usage), Gotta split and Gotta jam, which may rooted in jam ses-sion or a desire for a peanut-butter lubricant. Catch you on the flip side is an updating of Catch you on the rebound, but the most uncertain farewell is a hazy Whenever.

The most interesting new expressions among departing youth can be grouped under "the de-claratory future": While still present in body but mentally long gone, the youth frantically grabbing a glass of juice and digging under cushions for a misplaced book cries. "I'm outta here! New York Times Service

# Galveston: Gingerbread and Dreams

By Robert Reinhold New York Times Service GALVESTON, Texas — To look at George Phydias Mitchell, you can hardly tell that he is worth nearly half a billion dollars, that he has impeccable taste in restoring Victorian buildings or that he is the new patron

saint of this old port.

Short, bald and plain, he looks every inch the son of an impoverished Greek immigrant that he is. Sixty-three years after he was born on this isolated barrier island, going on to make his fortune in petroleum and real estate, Mitchell and his wife, Cynthia, have returned - to help retrieve it from decades of decay, say some; to exploit it, say others.

His personal worth is said to exceed the assessed valuation of this city of 62,000, and his emergence as a key figure here is only the most obvious symbol of the changes that have begun to bring back to life the city that was once the cultural and financial capital of Texas. It has found its redemption in proving that historic preservation is not only aesthetically pleasing, but profitable.

Galveston's revival has been spurred by the wealth generated by Houston, 45 miles to the north, whose expansion eclipsed Galveston two generations ago. Now, affluent Houstonians are restoring gingerbread Victorian homes here, and expatriates such as Mitchell are returning with money and ideas. Already the Mitchells have bought seven buildings for restoration along the Strand, whose iron-front commercial buildings were once the Wall Street of the Southwest.

As the Mitchells and others move in, the influence so long ex-erted by Galveston's old families, mainly the Moodys and the Kempners, is waning "Many of us who left the island and fought in high-pressure arenas like Houston see opportunities that the locals do not see," said Mitchell, who heads the Mitchell

Energy and Development Corp. Harris L. Kempner Jr., the 42year-old investment banker whose forebears made fortunes in banking, sugar and cotton financ-ing in the 19th century, disputes suggestions that his and other old families deliberately let the city lie fallow to preserve their control. Indeed, the Kempner and Moody foundations have spent



Two aspects of Galveston: A restored Victorian house and a modern insurance building.

millions on historic preservation.
The Strand, now lined with shops and galleries, has begun to attract a breed of visitor a cut above the bedraggled Houstonians who flock on weekends to Galveston's seedy beachfront, leaving behind trash but little money. Meanwhile, tonnage passing through the port of Galveston is up 30 percent over last year, while Houston's port lies in the doldrums.

But Galveston is still a poor place, isolated and little affected by the energy boom that has lifted most other Texas cities. It is nearly 50 percent black or Hispanic, and those minorities have thus far benefited little, says Carl Kelly, a black leader.

A century ago Galveston was a major city with the finest deep-water harbor west of New Or-leans. But a hurricane in 1900 all but destroyed the city and killed 6,000 people. Then Houston dug a ship channel, allowing shippers to bypass Galveston. The city thrived a bit longer on gambling and prostitution, but that too was

Now, however, newcomers are changing things, people such as H. Lee Trentham, a Tennesseeborn chemical engineer who made a fortune in Houston and who has done some of the finest restorations here. Or Peter Brink, a 43-year-old Harvard-educated lawyer who came a decade ago to run the Galveston Historical Foundation and has spearheaded the preservation movement.

Politically, the difference between the new and the old Galveston is personified by Jan-ice R. Coggeshall and Eugene Letsos. Both are City Council members, and they are widely expected to run against each other for mayor should Mayor Gus Manuel step aside.

Mrs. Coggeshall is a Wellesley graduate from Rochester, New York, whose husband teaches at the medical school. An earnest woman who wears denim skirts, she talks about developing a "vision" for Galveston, for beautifying the town, and she has wide support among newcomers.

Letsos, the size of an adult bear, has slicked-back black hair and has a huge gold ring encrust-ed with diamonds on each hand, a \$9,000 Rolex watch on one wrist and a chunky gold bracelet on the other. He sneers at Mrs. Coggeshall. "She's from up some-place," he said. "She's not a real Galvestonian." He says he puts "progress" ahead of Mrs. Coggeshall's environmental concerns.

The problem with Galveston, in the view of Edward L. Protz, a former official of the Moody Foundation, is that it lacks any long-range plan and tends to be dominated by short-run business interests. By default we have failed to gear toward the more profitable tourist trade," he said. "We've got the natural assets to-build a Texas Riviera, but instead we have proliferation of cheap time-share condominiums.

The threat of being swallowed up by Houston's widening economic net is the biggest danger, says Brink of the Historical Foundation. "The danger is that if we are not strong enough, the franchise strip developers will come," he said. "We might become just a strip suburb."

# TOKYO POSTCARD The Gaijin Revue

By Todd R. Eastham United Press Insernational

TOKYO - One word that forl eigners in Japan learn quickly and never forget is gaijin. That's what the natives call anybody and everybody who isn't Japanese.

"It's like virginity but you can't lose it," said Michael Reid, a singer and songwriter who has lived in Japan for four years. Reid and Stuart Atkin, a writer-

actor who has lived here for eight years, recently put together a musical comedy revue based on their experiences as gaijin in Japan. "Our Japan," produced sporadically on a shoestring budget in

Tokyo and other parts of the country, opens with a comic discourse on "Being a Gaijin." A demon mask from the Japanese theater is used to illustrate the

native perception of the mysterious Occidental. "You know he's an alien be-

cause he has a very red face, very big nose and he's very hairy," ex-plained Atkin, a 33-year-old Englishman who bears some resemblance to his own description. Gaijin wear their shoes not only in the house, but also in bed, added Reid, 32, another English expa-

The tongue-in-cheek revue also looks at two prominent gaijin who have visited Japan — Margaret Thatcher ("Mrs. Sachaa") and Paul McCartney.

Of the British prime minister's

recent visit, Reid sings: Oh Land of the Rising Sun Statesmen go, stateswomen come. Serve them sushi and hot green tea

And show them round the factory. McCartney's ill-fated trip last year, when he was deported for attempting to smuggle marijuana past customs, inspired another dit-ty to the tune of "Eleanor Rigby":

All this marijuana, where do it all come from? All this marijuana, where do it all

belong? a pretty disappointed people. The review touches on many of

the more amusing and endearing aspects of life in Japan. "Endless Rub" — a play on the Japanese pronunciation of "Endless Love" — is about an institu-

tion quite popular with gaijin men, the Turkish bath. One called "Zen Singalong" "Keep your eyes closed but please don't nod off or I'll hit you with my stick" — pokes gentle fun at. Zen Buddhism.

\*\*\*

Another laments the difficulties! in reconciling the eternal tease of Japanese advertising with the rather puritanical realities of Japanese life. It goes something like

Bright lights, red lights, all over Tokyo Oh what a way to go.

Boogie down with the disco i crowa

Checko to checko is not allowed Another called "Oishii (Oh is she) the Girl? makes brilliant if slightly risque use of lapanese words to create English sentences.
"Oishii" is the word Japanese use to describe a tasty meal.

ordescribe a tasty mean.
Other songs and sketches like "My Local Barber" — which tells of a lonely pudding bowl artist who lost all his business to a Euro. pean-style stylist up the street -

But Atkin might have spated the audience his attempt at a come haiku — a traditional lapanese verse of three surfaymed lines

Old frog leaps into New pand. Whap. We see ee ee Spl-lat. No water.

The performance attracts as many Japanese as it does foreigners, and few seem to take offense.
"We're not trying to be nasty."
said Atkin, "We're just very tongue-and-cheek about wary thing. On the whole, the reaction is very favorable."

#### South Africa Frees 34 Who Raided Seychelles

United Press International IOHANNESBURG - Thirty four former mercenaties have been released early from jail, almost a year to the day after their hijack-ing of a Boeing jetliner from Sey-chelles Mahe airport to escape after botching a coup bid.

The 34 were members of a band organized by Michael Hoare, a mercenary, in an attempt to overthrow the Seychelles government of President Albert René on Nov. 26, 1981. They were released Saturday for good behavior after serving four months of their six-month sentences. Mr. Hoare was not released. Seven others involved are still serving terms of from 12 months to five years.

SERVICES

YOUNG LADY

R/Interpreter & Tourism Guide Excellent Procentismo

French-English

Paris: 562 05 87

FRENCH P.R.

# SEASON'S GREETINGS THE SPACE IS FOR YOU Send someone special c Christmas message. CLASSFIED ADS Paris 747 12 65 ext 261 + 212

**AMERICA CALLING** 

DAF56TY. Travelers' messages. Write Box 6262, Olympia, WA 98502, USA.

CHRISTMAS GIFTS

ORIGINAL GIFT IDEAS **WATCH THIS SPACE** 

**ANNOUNCEMENTS** 

GURDHEFF'S TEACHINGS. For infor-motion, write, BM Box 2894, London WCIN 3XX England. FELING low? - having problems? SOS HEP crisis-fre in English. 3 p.m.-11 p.m. Tek Ports 723 80 80. ALCOHOLICS ANONYMOUS in English doily. Paris; 634-57-65. CRISIS COUNSELLING, Psychotheropy, Masters & Johnson, Paris 293-40-77.

**ANNOUNCEMENTS** SUBSCRIBE to the INTERNATIONAL

HERALD TRIBUNE AND SAVE.

ITII Subscriptions Department, 181, Avenue Charles-de-Gasile, 92200 Neuilly-au-Seina, France. Dr phone Paris 747-12-65 ext. 305. EN ASIA AND PACIFIC

ternational Herald Tribune Tai Sang Commercial Belld 24-34 Hennessy Road HONG KONG Tel: HK 5-286726

MOVING INTERDEAN

#### **CLASSIFIED ADVERTISEMENTS**

Who else for your next international move FOR A FREE ESTIMATE CALL

44.87.44 -894.76.11 652.31.11 65.09.57 31.05.91 269.54.00 26.31.44 (06190) 2001 43.85.30 43,23,20 401108 961,41,41 671,24,50 141,50,36 738,32,88 742,85,11 475,42,57 95,55,20 363,20,00 LONDON: MADRID: MADRID: MAPLES: PARIS: ROME: VIENNA: ZURICH:

BEDEL INTERNATIONAL MOVES inca 1850, Al Rossum: 834 97 60 Paris

MOVING CONTINEX: TB. 281 1# 81 PARIS. Neor OPERA! Air & Sea to all countries. Economy rates. Also loggage. BAGGAGE Seal Air Freight, removals. TRANSCAR, Paris. (1) 500 03 04.

REAL ESTATE FOR SALE FRENCH PROVINCES EALTHFUL RURAL MANSION,53 lars S.W. of Poris, near Rambouliet, large living, kitchen, postry, 4 bedrooms, 27/6 bolls, central healing, garage, sepa-rate caretalist quarters, archard in full production, 11,000 sym., sourline of F2,200,000. Cosh. Ask for photo-graphs. Write: Box 15/05, Herold Tri-bune, 92521 Neutly Codex France.

GREAT RRITAIN **STURGIS** 

PARIS & SURURRS

INTERNATIONAL
Park Lone, London W1Y 3TF
± 01-479 1693 Telexx 993433
Property Consultants
London and Marbella

LEFT BANK Near Invalides. Lovers' nest, 0 sq.m. penthouse, 1 bedroom ge living, parking 8, maid's roc COTAG: 562 26 27.

A SPACE AGE BUSINESS

**OPPORTUNITY** 

KEMA COMPLIER PORTRAITS, now in full color or 8 & W. Newset feather growing small business. Developed in the U.S.A. From space programs. Exalent for shopping centlers, mail order, holiday reachs, text, include sit, kided

PARIS & SUBURBS LOOKING TO BUY In Paris or French Rivieral ionitate Stone Inf 1 (US Management) Av de la Grande Armee, 75017 Paris Tel: 574 23 19; Telas: 660 261 F.

ST NOM LA BRETECIE. New hous on 1000 sq.m. land, free now. From F1,280,000 - 13,40%. Tel: 045 54 77 (1 am to 7pm).

REAL ESTATE TO RENT/SHARE LONDON - For furnished flots & houses, the service leading US Corporations use: Ansonabe & Kingland. Telli London 722 7101. Tales: 29960.

LONDON, For the best furnished flots and houses. Corsult the Specialists Philips, Key and Lewis, Tell London 839 7245.

MAYFAIR SERVICED 2 bedraoms flot. 2200 weekly. Tell London 01 584 1236 before noon.

Renthouse International 020-448751 (4 lines) Amsterdom, Bolestein 43. PERRE'S SERVICES in Amsterdom, Hilversum & Utracht creas. Tel-035-12198 Kapittelwag 389, Hilversum

International Business Message Center

REAL ESTATE TO RENT/SHARE PARIS AREA FURNISHED Your Studio or 2-Room Apartment AT THE CLARIDGE 74 Champs Elysees 8th 1 month or more Tel: 359 67 97 Telex 290 548F

AT HOME BY PARK PARIS PROMO APARTMENTS FOR RENT OR SALE
25 Ave. Hoche
75008 Paris.
563 25 60

563 25 60 **EMBASSY SERVICE** 8 Ave. de Messine, 75008 Paris Your Real Estate Agent IN PARIS 562 78 99

INTERNATIONAL 551 66 99 51 La Bourdonnais, 75007 Paris 1 of CLASS APARTMENTS & HOUSES FURNISHED & UNITURNISHED

FINANCIAL INVESTMENTS

**OFFICE SERVICES** 

**WORLD WIDE** 

**BUSINESS CENTRES** 

PUDNESS-ED, STARFED
EXECUTIVE OFFICES
IN MAJOR CITIES
IN MAJOR CITIES
AMISTERDAM EuroCenter,
Keinersprecht 99, 1020 CH,
Keinersprecht 99, 1020 CH,
ATHENS Executive Services,
Athens Tower B, Suite 505 Athens
Tels (201) 7796 222. Telen: 212342
BOMBAY Bohnio Chembers: 212
Normen Point, Bombay 400 021.
Tel: 244949. Telen: 011-6897.
BRUSSELS 4 rue de la-Prepae,

REAL ESTATE TO RENT/SHARE PARIS AREA FURNISHED **STAYING IN PARIS?** 

PURNESHED & UNIFORMESHE FIRST-CLASS APARTMENTS Minimum rented 2 mornie, Also floto & houses for sale INTER URBIS, 1 Rue Mollien, Paris (8e), Tel., 563.17.77. AT SACLE

STUDIO TO 7 ROOMS FURNISHED OR FURNISHED. SHORT TERM ACCEPTED. 563 66 65 MERCURE WORLDWIDE

YOUR GUIDE
From studies to prestige operaments
Short term occepted
3 rue St Philips
du Route, Paris 8e 256 30 57 7TH ALMA

6/7 rooms. Upper floor, 2 boths, geruge. F 13,000. SWBASSY SERVICE: 563 66 38

egunt double living, 2 budrooms, 2 boths. F8000 charges included. Tel-637 23 47. 1st CHATELET. Beautifully redone liv-ing, dring, bedroom, freedone, mod-ern kitchen. F7000. Tel: 720 37 99.

OFFICE SERVICES

Zurich-Zurich-Zurich

YOUR INTERGRATED BUSINESS SERVICES COMPANY IN THE FINANCIAL CENTER OF ZURICH

Your Office in Germany

GENERAL POSTTONS

WANTED

AUSTRIAN, MALE, 36, excellent oppergrance & references, single, no lies,
professional bockgrounds stees, restaurent & bor monogement, used to troveiling workwide, U.S. vice, speaks
English, Genron, Franch, Swaddsh,
seeks interesting position on travel / PR
/ sales casistant to in'tl exceptive limite
or femole), Write or call: Sirio Croliclozzez, Korlstr. 46, D-7500 Korlsube,
W. Germony, 14t (D/21/2090,
MAN, 27, Economic graduate, bilingued English / Franch, dee good Germon and Dutch, 2 years experience
small business management, seeks
challenging position. Box 105, Herald
Tribune, 92521 Neutly Cedox, France.

EUROPEAN BUSINESS School graducie, Franch, fluent English + Germon,
seeks first position abroad in relation to
in'tl economics or bensing, Replies for
S. Beston, 7 neu N.Dicz / 5016 Paris,
PRENCHMAN, 2.3. Ticance droit",
fluent English, dynamic, friendly, seeks
responsibilities oil sectors. Write M.
Dor, 15 rue Poussin, 73016 Paris,
PROFESSIONAL US WINTER. Yale MA,
soeks creative editing rewriting, Franch
transistion work Box 103, Herald Tribone, 92521 Neutly Cedex, France.

we are "At Your Service"

Complete office services at two prestige addresses.

Fully equipped offices for the short term on the long term.

Internationally trained office and professional staff at your disposal.

Can be legally used as your corporate domicile for Germany/Europs.

Your bosiness operation can start immediately. Laires Business Services Gushil, Laires Haus am Holzhousenpark Justinionstrance 22, 6000 Frankfurt am Main 1

Germany Tel: 0611-590061 Teles: 414561. A NEW

LESATELLITE, 8 rue Copernic 751 16 Poris, Tel. (33 1) 727 15 99. Teles: LESATEL 620 183 F

REAL ESTATE TO RENT/SHARE

PARIS AREA UNFURNISHED 16th LONGCHAMP Nice apartment, upper floor, cats about 160 sq.m., salon, dring room, bedrooms, 2 boths, possible porlan, F9000 + charges, Tel. 265 51 45.

7th SD LA TOUR MAUBOURG, Exep-tonal view Invelides, superb 5-room flot, unfurnished, in perfect condition, 2 boths, completely new equipped litchen, maid's room. F10,500 per month + charges. Estate agent not requested. Please tel. for informations 334 19 71.

15th, SPONTING. Elegant modern flot, large double swing with fireplace & son balcony, bedroom, equipped kitchen, beautifully decorreted. F 6000. Tel: 720 37 99. EMPLOYMENT

ARAB OIL MAGAZINE SEEKS Advertising Seles Coordinator Must travel in Europe 8, Arab coustrie Send CV, photo 8 salary requirements in A.P.R.C., 7 Ave ingres, 75016 Paris. ADVIENTUROUS WOMAN for Isl

GENERAL POSITIONS AVAILABLE

to Republique, 94110 Anovel, France, NARMEF GOVERNESS AGED 29, reliable, escalient references, free soon, fry Consultants, 7 High St, Aldershot, Honts UK 161 (252) 313369.
BNGUISH NANNES & Mathem Heigs free naw, Nash Agency, 27 Grand Porade, Brighton, UK. Tef. 682 666. GENERAL POSITIONS WANTED

Consulting services in forming off-shore componies.
 BUSINESS SERV. CONSULT CORP. Kuttelgasse 8
(Between Behrindsfrasse and Rennwegl CH-9001 Zurich, Switzerland Tel 01/211 92 07. Tb. 813062 SSCC

Don't miss INTERNATIONAL SECRETARIAL POSITIONS TUESDAYS in the MT Classified Section.

PERMANENT POSITIONS OFFERED to dynamic secretaries. French or Eng-lish mother tongue, with experience. LR.C. 236 96 63 Paris \$\$\$ WORD PROCESSING operators & socretaries with knowledge of Wong, BM 82 CM, Xerox 850, IBM washest or Olivani, Long assignment & parmanent positions ovalidable.

visiotest or Olivetti. Long assignments & permanent positions ovalidable. Good Salories. GR Interior, 39 Chomps-Byses Paris 8. Tel 225 59 25 INTI. LAW FREM in Paris seeks experienced English mother tangue billinguel secretory with excellent shorthand in both lamguages. Apply with CV to Box 104, Harald Tribune, 92521 NeuBy Cadex, France.

NEED TENIPORARY HELP? GR INTERNA Tel. 225 59 25 Paris.

**EMPLOYMENT** TRACKING POSITIONS THE AMERICAN COLLEGE IN PARTS

THE AMERICAN COLLEGE IN PARIS seeks suitably qualified persons to trach Chemistry, on a port-him losin, at the introductory level with special emphase on capications to art out archeology and environmental chemistry. The Ph.D. is desired. Candidates should preferably have teaching appenance of the undergradisate level in an American isolation of higher education. Send full CV for the Dean of the American College in Paris, 31 Ave Booquet, 75007 Foras.

THE AMERICAN COLLEGE IN PARIS seeks suitably qualified persons to teach introductory costrates in Accounting methods and procedures on a part-line basis. Candidates should preferably possess the appropriate or odemic qualifications, a CPA or equivalent, and a working background in American business environment.

**AUTO SHIPPING** 

39. Teles: 71497.

RANKTIKT/MAIN - W. GERMANY.
H. Isermon GmbH, Tel. 0511-48071.
Fickup off over Europe \* ro/ro-drips.
TRANSCAR. 20 rue Le Sount, 75116.
Paris. Tel. 500 03 04. Nice. 83 95 33.
Antwerp 31 06 10. Comme 39 43 44.

**AUTOS TAX FREE** 

PROM STOCK
Sevile 77, 12000 km, \$7800
Mercades 300 SD, USA, crelmoste
Mercades 300 SB, new, white or silver
Mercades 280 S, new champagne
Mercades 280 S, new champagne
Mercades 280 S, new, thattesiver
Cadillacs, Ferraris, Jaguers, Range
Rovers, Land Rovers, Parsches and other
Landing media evaluable.

Same day registration possible.

**ICZKOVITS** 

Conidenstrasse 36, CH-8027 Zurich Tel: 01/20276 10. Teles: 53444.

**ROLLS-ROYCE** 

**BRITISH MOTORS** 

WRIGHT BROTHERS

MONTE-CARLO
Tel: (93) 50 64 84
Teles: 469-973 MC
SELVE SPEET - SELVER SPEET
SHADOW II - CORNODE
CAMARGLE - PHANTOM VI
ALSO No. 1
FOR SERVICE IN BURDOPE

TRANSCO

TAX FREE CARS

We keep a constant stock of more than one handred brand new cars, competitively priced.

Send for free catalogue & stock list, Transco SA, 95 Noorderbown, 2009 Artwerp, Belgium, Tel (30/54/2 6/2 4), [10] fixed, The 35/207 TRANS 8

TAX Free cars of moles and models. ATK, NV, Ankerrui 22, 2000 Antworp, Belgium, Tel-03/231 16 SJ, The 31535

LEGAL SERVICES

US TAX, VISA & HAMIGRATION Computants USA, 91 Fbg St. Honore, Paris St. Tel, 265 90 75. Th. 642066 F. TAX RETURNS PREPARED.

YOUNG LADY BILINGUAL Excellent appearance Tel: 548 69 47 YOUNG LADY, linguist, chauffeus will travel, London 747 3304. PARIS - YOUNG LADY PR / co Places apply in the first instance to: the Dean of the American College in Paris, 31 Ave Bosquet, 75007 Paris, Tel: 555 91 72, est. 222. PARIS BILINGUAL personal assalati la business executives, Tel: 500 58 17.

LADY INTERPRETER & travel comparion, Paris. Tel: 633 68 09. DOMESTIC POSITIONS AVAILABLE PR YOUNG LADY, Integral, excell appearance. Para 527 07 93.

AU PAIR BNOLISH SPEAKING NY crea. \$75 / week. Driver's license. 1 infant. Reply with photo & personal history to Arthur Botton, 60 Coson View Terroce, Highlands NJ 07732. LOW COST FLIGHTS NEW YORK return \$350, Detroit on Atlanto return \$380, Chicago return \$400 on Sabena/KLM. No restrictions Call Antwerp: 2337800 DOMESTIC POSITIONS WANTED SERCUS COMPANSON for oped or hondicopped persons, French, 52, seeks position in USA. Pays her own costs, will occup! I month or more tri-cl. Write to More Sourier, 22 Ave de to Republique, 94110 Arcuel, Frence. TO USA or WORLDWIDE, control your US travel agent. Paris 225 92 92.

HOTELS RESTAURANTS NIGHT CLUBS **PHILIPPINES** 

MANILA MISTOWN HOTEL 600 rooms in the heart of Manifa's burd belt. Amide entertainment & busines centers. In restaurants and bors, swinning pool, gym, souna, jocuzzi, lense courts, shopping consplex, 3 theders. Single-footie from US\$25. Reservations guaranteed. Address Pedro GI St., Ernisto, Manifa. Tel 57371. Tel 57371. O Box 4252 Manifo. Cable: Midtowo-Manifa. Telesa 27797 MNLMID FH.

TUDOR MOTEL, 304 East 42nd St., Nor-York City. In Feshioneble, East Side Monhatten, 14 block from UN. Single from \$50, doubles from \$64. Telest 422951. Tele 800-522-7558

PAGE 21 FOR MORE **CLASSIFIEDS** 

For edvertising Inf contact the TRIB's

office in your country HEAD OFFICE Parles Max Parrero Tel., 747.12.65.

**EUROPE** Arnsterdams Alfons Grim Tel.: 26 36 15. Athens: J.C. Rennessen Tel.: 361 83 97/360 24 21 Frankfart: H. Jung or S. Konro Tel., 72 67 55. Lausanner Guy von Thuyne Tel.: 29 58 94. Lisbors Rite Amber Tel., 67 27 93 & 66 25 44 ondge: Michael Mitchell Tel.: 01 836 4802. Ramer Antonia Sambratta Tel.: 679 34 37.

Viennen McKim White Tel.: 52 63 97. OTHERS . Hong Keng: C. Chuney Tel.: 5 - 420 906. New York: Sandy O'Hord Tel.: 752 38 90.

# Herald Tribune

'The Company People' Formotons in LOM. Liberia, Teria, Neth. Antilles, Coymeas, etc. Full Meth. Antilles, Coymeas, etc. Full State of the Communication of t AMERICAN EXPORTER

C.C.M

CAN DELIVER Telex: 235219 DBC NY

Communication and the communication of the communic 100% COTTON TERRY TOWELS, glovas & other terry mode ups ovall-oble. Also agents worsted for Africa & Middle East. Contact Menufacturers & Seporters. Ferces Teetile Industries, Islans Chowk, Monriel Road, Kersche / Polistan. Teless 24409 FEROZ PK. Cable Giaspoloca Korachi.

INVEST / PARTNER (INVENTIONS).

18 Faterts panding of top inventions Optronics & Solar technology. Meters, Security Systems & Cor Industries. Serious investors, look US dollor chares a multipless, confidentiality required. Aced Int 1 Inc., CPO Box 537, Tokyo 193-91, Japan. The ISZ607 PACHC.

ATTENTION BUSINESSMEN: Publish your business message in the International Herald Tribune, where more than a third of a million readers workholds, most of whom are in business and industry, will read it. Just telex as (Paris 613595) before 10 a.m., ensuring that we can telex you back, and your message will appear within 48 hours. The rate is U.S. \$8.45 or local equivalent per line. You must include complete and verifiable billing address. UK COMPANY OWNING Thrving Betro (Lordon) & wishing to expand is looking for manager designate with view ensentual share in business. Strong accounting bodeground and knowledge of catering essential. BM Bar 3678, Landon WC1 N302.

PARTINGS DEED leaving investment deficit. Urganity need 90-day \$50,000 loan, will repoy \$60,000. Red estate colleteral. Bax 263, Herold Tribuns, Pedro Telesian 8-6 D. Machiel 20. HONG BONG CORPORATIONS for £175. S.R. Ltd., 701, 35 Queen's Road, Hong Kong, Tel. 5-233572. The \$329.

HONG ECONG BUYIND & \$5112NG service. Downlie Ltd., P.O. Box 97029 Isinshotsui, Hong Kong.

BUSINESS SERVICES FULL PROFESSIONAL BUSINESS pervious: secretarial, monagement, non-tering, travel, etc. TBM/REF, 16 rue Volture, Genera, 02/45/072, POS TST 98573 Hong Kong, 3-689778 DIAMONDS DIAMOND\$

Your best buy.

Fine dicatonds in any price range at lowest wholesale prices direct from Antwerp center of the dicatonal world.

For Iree price list write Joachim Goldenstein diseasestempert Established 1928.

Palisconstruct 62, 8,200 Antwerp. Pelikoanstraat 62, B-2000 Antwerp Belgium - Tel. (32.3) 234,07.51 Tbc: 71779 syl b. At the Diamond Club. Heart of the Antwerp Diamond moustry

FINANCIAL INVESTMENTS TRADERS BY GOLD FITURES

Receive twice is week our advice on the New York Corenes: Gold Mariest by tellex.

We challenge you to try us for two consocitive weeks or no charge. Just send your heles number to: IL 341730 (att IGA) and you will receive our advice After two weeks, it satisfied, you may become a member of IGA Group for only US\$ 96 per month.

Our offer is limited to only 200 members.

cur orner is immed to any 200 members. So phease forward your request 8 conherhoot to IGA Group, POS 3454, Heife largel. For additional information please phone largel 4-235529.

Necimen Point, Bomboy 400 027.
Tel. 24/949, Tales, 011-6897.
BRUSSES & rue de la Presse.
1009 Brussels, Tol. 217 83 60
Teles: 2527
LONDON 110 Strond, London
Tel. (01) 836 9918.
Teles: 26973.
MADRID C/ Cresse No. 68,
Medrid 20, Tel. 270 66 02-04.
Teles: 46642.
MRIAN Via Boccoccio 2,
20123 Milen. Tel. 36 75 89/89 59 279.
Teles: 320343.
MRINCH Kreillenstresse 21
8000 Munchen 80.
Tel. 029/43130 05-6, Teles: 5213379.
NEW YORK 575 Modison Avenue,
New York, NY 10027, Tel. (21) 4861333, Teles: 12364 / 237699.
PARIS: 1805, 15 Avenue Victor Hugo,
Poris 75116, Tel. 502 18 00.
Teles: 630879.
ROME Via Savoin 78, 00198 Rome.
Tel. 65 32 41-844 80 70.
Teles: 613459.
SNIGAR-ORE 604 For East Shopping
Center, Orchard Road, Singapore.
Tel. 25 39901. The 36033 (appen Dec. 1)
ZURICH Restring 32, 8001 Zurich.
Teles: 812666/812781.

66 CHAMPS - ELYSEES SECRETARIAL - SERVICES. **FURNISHED OFFICES** MEETING ROOMS Company domination BEB 723 50 00

BUSINESS CENTER IN PARIS NEAR CHAMPS ELYSEES "LE SATELLITE" Prestigious and convenient
YOUR ADDRESS
YOUR OFFICE
YOUR SECRETARIAT
YOUR MEETING ROOM
ally organized for
samen for a day or more).